

SENATE

WEDNESDAY, December 10, 1924

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Heavenly Father, we bless Thee for every mercy vouchsafed unto us and for the continuance of blessings that are multiplied constantly in our experiences. And at this season of the year, when gladness and hope are supposed to be operative, we beseech of Thee to direct our ways with cheer, so that others may share with us in the benefactions of Thy providence and all spiritual good vouchsafed to us, through Christ our Lord. We ask in His name. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Monday, December 8, 1924, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

REPORT OF UNITED STATES SHIPPING BOARD

The PRESIDENT pro tempore laid before the Senate a communication from the assistant to the Director of the United States Shipping Board, transmitting a corrected copy of the Eighth Annual Report of the United States Shipping Board for the fiscal year 1924, which was referred to the Committee on Commerce.

CREDENTIALS

The PRESIDENT pro tempore laid before the Senate a certificate of the Governor of the State of South Carolina certifying to the election of COLE L. BLEASE as a Senator from that State for the term beginning March 4, 1925, which was read and ordered to be filed, as follows:

STATE OF SOUTH CAROLINA,
Secretary of State, Columbia.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 4th day of November, 1924, Hon. COLE L. BLEASE was duly chosen by the qualified electors of the State of South Carolina a Senator from said State, to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1925.

Witness:

His excellency our governor, Thos. G. McLeod, and our seal hereto affixed at Columbia this 29th day of November, in the year of our Lord 1924.

[SEAL.]

THOS. G. McLEOD, Governor.

By the governor:

W. P. BLACKWELL,
Secretary of State.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Farrell, one of its clerks, announced that the House had passed a bill (H. R. 10020) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1926, and for other purposes, in which it requested the concurrence of the Senate.

PETITIONS AND MEMORIALS

Mr. McNARY presented memorials of sundry citizens of Grand Ronde, McMinnville, and vicinity, in the State of Oregon, remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, which were referred to the Committee on the District of Columbia.

Mr. CURTIS presented a memorial of sundry citizens of Towanda, Kans., remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, which was referred to the Committee on the District of Columbia.

Mr. PHIPPS presented memorials of sundry citizens of Denver, Erie, and Golden, all in the State of Colorado, remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, which were referred to the Committee on the District of Columbia.

Mr. FRAZIER presented the memorials of Christian Juhl and other citizens of Bowesmont and of Mrs. Emily Rosenquist and other citizens of Oakes, all in the State of North Dakota, remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, which were referred to the Committee on the District of Columbia.

Mr. ROBINSON presented petitions of sundry citizens of Arkansas, praying for the passage of the so-called postal salary

bill providing an equipment allowance for rural carriers at the rate of 4 cents per mile, which were referred to the Committee on Post Offices and Post Roads.

Mr. CAPPER presented a telegram in the nature of a petition from rural carriers of the Wichita (Kans.) post office, praying for the passage of legislation granting increased compensation to postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented a memorial of sundry citizens of Bazine, Kans., remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, which was referred to the Committee on the District of Columbia.

Mr. WILLIS presented a resolution of the council of the city of Cleveland, Ohio, favoring the passage of legislation to regulate or control the interstate traffic in deadly weapons, which was referred to the Committee on Interstate Commerce.

He also presented a resolution of the council of the city of Cleveland, Ohio, favoring the passage of the so-called postal salary bill providing increased compensation to postal employees, which was referred to the Committee on Post Offices and Post Roads.

FEDERAL AID FOR ROAD CONSTRUCTION

Mr. STERLING, from the Committee on Post Offices and Post Roads, to which was referred the bill (H. R. 4971) to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes, reported it with an amendment and submitted a report (No. 799) thereon.

HOLIDAY RECESS

Mr. WARREN. From the Committee on Appropriations I report back favorably without amendment House Concurrent Resolution 32, relative to adjournment for the holidays, and I ask for the adoption of the resolution.

The Senate, by unanimous consent, proceeded to consider the concurrent resolution, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn Saturday, December 20, 1924, they stand adjourned until 12 o'clock meridian, Monday, December 29, 1924.

Mr. ROBINSON. Mr. President, I suggest to the Senator from Kansas [Mr. CURTIS] that the resolution ought to be modified so as to provide for adjournment over January 1. Under the custom of the Senate we have never held a session on the 1st day of January. Senators who make arrangements to leave the city for the holidays would hardly feel warranted in returning for December 29, when probably only a single session after that date would be had during that week. Very little business, if any, can be transacted, and it would seem to me proper to take an adjournment for two weeks. That has been the custom of the two Houses.

Mr. WARREN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Wyoming?

Mr. ROBINSON. I yield.

Mr. WARREN. I realize that what the Senator has said is true, but I ask him to consider that under the present mode of doing business and the intention of passing all of the supply bills during the short session, it becomes necessary to work on and report appropriation bills during the holidays. The concurrent resolution comes from the House, and with the arguments that they make for using those days to work with the appropriation bills it seemed necessary to take the shorter recess. I assume that it would be understood, and if necessary, there could be some gentlemen's agreement or understanding, though I do not propose it, that so many of those Senators as could not return within the time fixed might remain away until after the 1st of January.

Mr. ROBINSON. That may meet the requirements of the situation.

Mr. CURTIS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Kansas?

Mr. ROBINSON. I yield.

Mr. CURTIS. I talked this matter over with Members of the House, and they desire the concurrent resolution passed in its present form, so their Committee on Appropriations may come back before New Year's Day and work on appropriation bills with the idea that as soon as the House meets on the 29th they will adjourn over just as long as they are permitted to adjourn under the Constitution. We are per-

fectly willing to do the same thing, and we had that idea in mind when we agreed in the committee to the concurrent resolution. I hope the Senator will not object, because I am satisfied no Senators except those interested in the legislation will want to work here during the holidays, and therefore they need not come back until the 2d of January.

Mr. ROBINSON. Of course, the committees of either House may meet without the House or Senate being in session. If it is the purpose of the Senator that an agreement is to be had, or if it is to be expected that no business will be transacted by the Senate, I shall make no objection to the concurrent resolution and shall not offer an amendment to it.

Mr. CURTIS. I will state to the Senator that it is my purpose when we meet on the 29th to ask for an adjournment after that day so long as we may adjourn under the Constitution. We might have to adjourn until the 31st. I have not looked up the dates, but when we meet on the 29th I expect to ask for an adjournment, and there will be an adjournment which will carry us to the 2d of January.

Mr. ROBINSON. With that statement of the Senator from Kansas in the Record and knowing that it will be carried out, there is no objection to the concurrent resolution.

Mr. CURTIS. It will be carried out so far as I can carry it out.

The PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

ISLE OF PINES TREATY

Mr. CURTIS. Mr. President, a parliamentary inquiry.

I find upon the calendar that there are two unanimous-consent agreements, one in regard to Muscle Shoals, which was entered into on June 4 last, which has been read a number of times and which there is no need to read again, and the other adopted June 3 in reference to the Isle of Pines treaty, reading as follows:

Ordered, by unanimous consent, that on Wednesday, December 10, 1924, immediately after the conclusion of the routine morning business, the Senate, as in open executive session, proceed to the consideration of the treaty with Cuba relating to the adjustment of the title to the Isle of Pines.

I wish to ask, if under Rule X, second paragraph, there being two special orders, the one in regard to the Isle of Pines treaty does not as a matter of fact follow the one in reference to Muscle Shoals?

Mr. UNDERWOOD. Mr. President, may I say just a word with reference to the inquiry? My late general pair and colleague, Senator Lodge, and I had an understanding, which I will state, but which of course did not bind the Senate. At the time of the adoption of the order in regard to Muscle Shoals the order relating to the Isle of Pines treaty had been adopted the day before. I stated at that time, and he concurred in the presence of the Senate, that there was no conflict between the two orders, because one was to be carried out in open legislative session and the other in executive session. The Senator from Kansas himself has moved several times, since the Muscle Shoals bill has been before the Senate, to go into executive session, and we have gone into executive session and attended to executive business without displacing the order in regard to Muscle Shoals.

I believe that the same situation prevails in regard to the Isle of Pines treaty as that in regard to the confirmation of appointments in executive session. I think it does not displace the Muscle Shoals measure at all to move to go into either closed or open executive session for the consideration of the treaty. I would suggest, however, if the Senators in charge of the treaty desire to go into executive session to move its consideration, that there would be no objection to that course of procedure, but I would ask that when that is done we shall come back into legislative session and dispose of the Muscle Shoals measure first before we go into any debate on the Isle of Pines treaty, if that is agreeable.

Mr. CURTIS. I think the Isle of Pines subject will be debated for some time, but first before we proceed to executive business I want the question settled whether we want an executive session at all. I think under the rules the Chair could decide that the Muscle Shoals measure has precedence and that the Isle of Pines treaty will follow immediately thereafter.

Mr. UNDERWOOD. I think that is true, but I have repeated the statement made by the late Senator Lodge at the time I asked for the order. I think it fair to state to the Senate what occurred at that time. I see no real conflict. So far as I am concerned I would be perfectly willing that

we should go into executive session, take up the treaty and lay it before the Senate in executive session, and then return to legislative session and finish the pending legislative business.

Mr. ROBINSON. Mr. President, I think the interpretation of the Senator from Alabama on the application of the rules to the two agreements is accurate and in every respect correct. I further think that in order to conform to the agreement the Senate should proceed to the consideration of the treaty in open executive session. I shall make no objection, then, to returning to legislative session. I believe both the agreements can be carried out, and ought to be carried out. I do not know how it could be held that a matter to be considered in open executive session on a certain day should, under the rules, automatically follow a legislative measure which may not be disposed of for 30 days.

Mr. CURTIS. Mr. President, I made that statement because of the peculiar wording of the unanimous-consent agreement in regard to Muscle Shoals, which was adopted after the unanimous-consent agreement had been entered into in regard to the Isle of Pines treaty. The Muscle Shoals unanimous-consent agreement provides:

That this order shall not be set aside except by unanimous consent.

I do not care what the Chair holds. I merely wish to get an understanding; that is all.

Mr. ROBINSON. Mr. President, I agree with what I understand to be the position of the Senator from Alabama, that it does not constitute in law a laying aside of the Muscle Shoals measure to proceed to the consideration of a matter in open executive session any more than it does to proceed to the consideration of a matter in closed executive session. If it would constitute a violation of the unanimous-consent order in reference to the Muscle Shoals bill to proceed to the consideration of a matter in open executive session, we have violated the order in reference to the Muscle Shoals measure almost every day since that matter has been under consideration, and without a single exception or objection having been made by a Senator. That shows that the Senate construes the order to mean that the Muscle Shoals measure shall be considered in legislative session to the exclusion of other matters, but that it does not preclude the Senate from proceeding to the consideration of subjects in executive session, either closed or open.

Mr. NORRIS. Mr. President, I do not desire that the Senate shall take any action which by any possibility may result in the displacement of the Muscle Shoals question for the consideration of any other subject. I believe that the unanimous-consent agreement entered into in regard to the Muscle Shoals bill precludes that. I believe that a point of order against the motion to take up the Isle of Pines treaty in open executive session or in closed executive session ought to be sustained, and, in order to get the question before the Senate, I intend to make that point of order, if such a motion shall be made.

I have no objection, Mr. President, if we can reach such an agreement, to going into open executive session to consider the Isle of Pines treaty, if it is understood that we shall simply take that treaty up and then resume the consideration of the Muscle Shoals legislation.

Mr. CURTIS. Mr. President—

Mr. NORRIS. Just one moment. Let me conclude my statement.

The fact that we have on several occasions gone into executive session, as the Senator from Arkansas [Mr. ROBINSON] has stated, without a single objection having been made, does not constitute a violation of the Muscle Shoals unanimous-consent agreement, because by unanimous consent we could do that, if no point of order was made against such a motion or if no objection were made. That question has not been presented to the Chair for a decision. If the unanimous-consent agreement shall be made and the Muscle Shoals bill shall not be laid aside, except by unanimous consent, it may be that the natural result would be to preclude, upon objection, our going into executive session. I certainly would object to going into executive session if I did not know that in such executive session nothing but ordinary routine business would come up and that the executive session would last but a few moments. I have no objection to doing that as to the Isle of Pines treaty. Of course, if I am wrong, and the Senate shall so hold, I shall feel that I have done my duty; but I do not believe that under the Muscle Shoals unanimous-consent agreement it is in order against objection to take up any other subject.

Mr. BORAH. Mr. President, the treaty as to the Isle of Pines has, in some form or other, been before the Senate for the last 20 years, and undoubtedly we ought to dispose of it. I am very anxious that it shall be disposed of, but I do not desire that we shall take up the Isle of Pines treaty and debate

it for an hour or two and then go back and consider the Muscle Shoals matter for a day or two. I am willing to proceed in such a way as that the Isle of Pines treaty shall be taken up immediately after the Muscle Shoals measure shall have been disposed of; in other words, I should like to take up the Isle of Pines treaty at a time when we can dispose of it. I do not desire that it shall be disposed of by piecemeal, for we have been trying to do that for 20 years.

Mr. SWANSON. Will the Senator from Idaho yield to me?
Mr. BORAH. Yes.

Mr. SWANSON. I suggest that we enter into a unanimous-consent agreement that following the disposition of the Muscle Shoals measure we shall proceed with and conclude the consideration of the Isle of Pines treaty.

Mr. BORAH. I will agree that immediately upon the disposition of the Muscle Shoals bill we shall take up the Isle of Pines treaty, just as we have agreed to do.

Mr. EDGE. Mr. President, will the Senator from Idaho yield to me?

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from New Jersey?

Mr. BORAH. I yield.

Mr. EDGE. Mr. President, I wish to propound a further parliamentary inquiry, so that when the Chair answers the inquiry already presented he may include an opinion on the one I am about to suggest.

Presuming the suggestion of the Senator from Idaho is carried out—that the Isle of Pines treaty shall be taken up after the Muscle Shoals bill shall have been disposed of—my inquiry is this: The unanimous-consent agreement, as I read it, relating to the Isle of Pines treaty being quite different from the one relating to the Muscle Shoals bill in that it does not in any way provide that it shall not be laid aside until it is finally disposed of, I assume, if we enter into the unanimous-consent agreement to consider the Isle of Pines treaty following the disposal of the Muscle Shoals bill, that a motion to displace the Isle of Pines treaty would be received at any time. I make that inquiry of the Chair.

The PRESIDENT pro tempore. The Chair does not desire to answer more than one parliamentary inquiry at a time. The Senator from Kansas has presented a parliamentary inquiry to which the Chair will reply when Senators have finished the discussion; but the question now propounded presents an entirely different phase of the matter, to which the Chair has given no consideration.

Mr. EDGE. Well, Mr. President, following the ruling of the Chair on the parliamentary inquiry already propounded, then I will renew my inquiry as to the Chair's analysis of the second unanimous-consent agreement. So far as I can interpret it, it simply provides that the Isle of Pines treaty shall be brought before the Senate. I can not construe it to mean that a motion, a majority prevailing, to lay it aside and take up other business would not be in order.

Mr. SWANSON. Mr. President, if the Senator from New Jersey will permit me, the order in reference to the Isle of Pines provides for an executive session. The unanimous-consent agreement proposed by the Senator from Idaho would in effect merely provide that immediately after the conclusion of the Muscle Shoals bill now pending the Senate shall go into open executive session when the Isle of Pines treaty will be laid before the Senate in open executive session. That will make it the unfinished business in executive session until disposed of. It will be perfectly possible at any time to make a motion to resume legislative session, and it will be in order then for the Senate to consider any matter pending on the calendar of legislative business. The request of the Senator from Idaho is merely to make operative the order in regard to the Isle of Pines treaty at a time following the disposition of the Muscle Shoals bill instead of right now.

It seems to me if we want to dispose of the Muscle Shoals bill—and I presume that no Senator here wants that measure to be interfered with by any other legislation—that the unanimous consent requested by the Senator from Idaho that the order in reference to the Isle of Pines treaty be made operative immediately following the disposition of the Muscle Shoals bill should be granted. If that request is acceded to, the effect will be this: The moment the Muscle Shoals bill shall be disposed of the Presiding Officer will say, "The Senate is in open executive session, and the Isle of Pines treaty is laid before the Senate." It will then become the unfinished business in executive session, and one hour afterwards or immediately afterwards a motion could be made to resume the consideration of legislative business, and then we could take up the legislative calendar.

Mr. McCORMICK. Mr. President, will the Senator yield to me for a moment?

Mr. SWANSON. Certainly.

Mr. McCORMICK. If the view of the Senator from Virginia be sound, what becomes of the suggestion of the Senator from Idaho; that he does not want the Isle of Pines treaty to be considered piecemeal and to be determined in a piecemeal fashion.

Mr. SWANSON. When the Senate goes into executive session—whether in open executive session or secret session makes no difference—it is for the Senate to determine in executive session the disposition to be made of the Isle of Pines treaty. Senators can dispose of it when they please; they can keep it before the Senate until it is disposed of, or otherwise. The entire matter is left to the pleasure of the Senate in executive session as to what disposition shall be made of it.

Mr. BORAH. Mr. President, in order to bring this matter to some conclusion I ask unanimous consent that the operation of the second unanimous-consent agreement upon the calendar be made to take effect upon the disposal of the Muscle Shoals bill.

The PRESIDENT pro tempore. The Senator from Idaho asks unanimous consent that the previous unanimous-consent agreement entered into on the 3d day of June, 1924—

Mr. UNDERWOOD. That is the order relating to the Isle of Pines treaty, as I understand.

The PRESIDENT pro tempore. The Senator is correct—shall be modified so that the treaty relating to the Isle of Pines shall be laid before the Senate in open executive session upon the final disposition of Calendar No. 734. Is there objection?

Mr. WARREN. Mr. President, I wish to address a question to the Senator from Idaho before the Chair puts the question on the request for unanimous consent. If necessary, I will raise an objection at this point for the moment, until I shall have addressed myself to the Senator who has presented the request.

The PRESIDENT pro tempore. The Chair recognizes the Senator from Wyoming.

Mr. WARREN. Mr. President, of course, I have no objection, and can not have, to any unanimous-consent agreement which has been made, but I desire to ask that there shall be an exception as to appropriation bills in any new agreement which may be entered into.

Mr. BORAH. The request I have made would not interfere with the appropriation bills. It would simply result in laying the Isle of Pines treaty before the Senate in open executive session on the conclusion of the Muscle Shoals matter. The appropriation bills could come along notwithstanding that fact.

Mr. WARREN. Then I wish to say—

The PRESIDENT pro tempore. It may help the Senate to come to a conclusion about this question if the Chair states that he will rule in exact accordance with the unanimous-consent agreement asked for by the Senator from Idaho.

Mr. WARREN. Very well. I wish to say at this time that if I am on the floor I shall certainly object to any new agreement being entered into that does not except the consideration at any time of the appropriation bills. I do not believe that the peculiar situation—I call it "peculiar"—in regard to this particular question before the Senate will cut out the consideration of appropriation bills, but I take this opportunity of having an understanding with the Senator in charge of the matter.

Mr. EDGE. Mr. President, I should like to ask the Senator from Idaho if his understanding of the parliamentary situation, provided the unanimous consent is granted, is practically as stated by the Senator from Virginia, which is, in effect, that open executive session or closed executive session could be discontinued by a majority vote and the consideration of legislative business be resumed?

Mr. BORAH. Mr. President, my opinion on a question of parliamentary law is not worth very much—

Mr. EDGE. I have great regard for it.

Mr. BORAH. But in my judgment that would be true.

Mr. CURTIS. Mr. President, I hope the unanimous-consent agreement requested by the Senator from Idaho will be entered into by the Senate.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Idaho?

Mr. OVERMAN. Mr. President, I should like to have the proposed agreement read. I was called out of the Chamber when it was presented.

The PRESIDENT pro tempore. The Secretary will read the request for unanimous consent as now reduced to writing.

The reading clerk read as follows:

It is agreed by unanimous consent that immediately following the final disposition of H. R. 518, an act relating to the disposal of Muscle Shoals, etc., the Senate, as in open executive session, shall proceed to the consideration of the treaty with Cuba relating to the adjustment of the title to the Isle of Pines.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the former unanimous-consent agreement is modified accordingly.

GESTON P. HUNT

Mr. RALSTON. Mr. President, I ask unanimous consent that House bill 7052, Order of Business 825, be taken from the calendar and placed upon its passage. It is a bill authorizing and directing the Postmaster General to credit the account of one Geston P. Hunt, formerly postmaster at Rushville, Ind.—the home of the senior Senator from Indiana [Mr. WATSON]—with \$10,026.64 which was stolen from the post office while he was in charge thereof. The Committee on Claims has reported this bill without amendment. It seems to be a very meritorious bill, and I should like to have the Senate pass it.

The PRESIDENT pro tempore. The Senator from Indiana asks unanimous consent that the Senate proceed to the consideration of House bill 7052, being Order of Business No. 825. Is there objection?

Mr. UNDERWOOD. I understand that that will not displace the unfinished business?

The PRESIDENT pro tempore. It is the opinion of the Chair that it will not.

Mr. UNDERWOOD. I have no objection.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the account of Geston P. Hunt, formerly postmaster at Rushville, Ind., in the sum of \$10,026.64, due to the United States on account of postage stamps and war-tax revenue stamps which were lost as the result of burglary on March 9, 1921.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

EXECUTIVE NOMINATIONS

Mr. McLEAN. Mr. President, as in executive session, I ask unanimous consent to report from the Committee on Banking and Currency, for the calendar, certain nominations.

The PRESIDENT pro tempore. The Senator from Connecticut asks unanimous consent, as in open executive session, to report certain nominations from the Committee on Banking and Currency. Is there objection? The Chair hears none, and the report will be received.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GEORGE:

A bill (S. 3623) for the relief of the Georgia Cotton Co.; to the Committee on Claims.

By Mr. WADSWORTH:

A bill (S. 3624) granting permission to D. F. Wilber, a consul general of the United States of America, to accept a decoration from the Government of Italy; to the Committee on Foreign Relations.

By Mr. ROBINSON:

A bill (S. 3625) granting a pension to Laura I. Robinson; to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 3626) granting a pension to Elva E. Brooks; to the Committee on Pensions.

By Mr. HARRELD:

A bill (S. 3627) granting an increase of pension to Emeline Hinds; to the Committee on Pensions.

A bill (S. 3628) to provide for the construction of a military road at the United States cemetery at Fort Gibson, Okla., and providing appropriation therefor; to the Committee on Military Affairs.

By Mr. COPELAND:

A bill (S. 3629) for the relief of the New York Canal & Great Lakes Corporation, owners of the steamer *Monroe* and barge 299; to the Committee on Claims.

By Mr. REED of Pennsylvania:

A bill (S. 3630) authorizing the Secretary of War to convey to the Federal Land Bank, of Baltimore, certain land in the city of San Juan, P. R.; to the Committee on Military Affairs.

By Mr. DILL:

A bill (S. 3631) for the relief of Augustus Sipple; to the Committee on Military Affairs.

By Mr. FLETCHER:

A bill (S. 3632) to amend the Federal farm loan act and the agricultural credits act of 1923; to the Committee on Banking and Currency.

By Mr. MOSES:

A bill (S. 3633) to amend the printing act approved January 12, 1895, by discontinuing the printing of certain Government publications, and for other purposes; to the Committee on Printing.

By Mr. PEPPER:

A joint resolution (S. J. Res. 152) to accept the gift of Elizabeth Sprague Coolidge for the construction of an auditorium in connection with the Library of Congress, and to provide for the erection thereof; to the Committee on the Library.

AMENDMENTS TO MUSCLE SHOALS BILL

Mr. COPELAND submitted two amendments and Mr. HOWELL submitted four amendments intended to be proposed by them to House bill 518, the so-called Muscle Shoals bill, which were severally ordered to lie on the table and to be printed.

HOUSE BILL REFERRED

The bill (H. R. 10020) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1926, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

MUSCLE SHOALS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 518) to authorize and direct the Secretary of War, for national defense in time of war and for the production of fertilizers and other useful products in time of peace, to sell to Henry Ford, or a corporation to be incorporated by him, nitrate plant No. 1 at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; steam power plant to be located and constructed at or near Lock and Dam No. 17 on the Black Warrior River, Ala., with right of way and transmission line to nitrate plant No. 2, Muscle Shoals, Ala.; and to lease to Henry Ford, or a corporation to be incorporated by him, Dam No. 2 and Dam No. 3 (as designated in H. Doc. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes.

The PRESIDENT pro tempore. The question before the Senate is upon the amendment offered by the Senator from Tennessee [Mr. McKellar] to the substitute proposed by the Senator from Alabama [Mr. Underwood].

Mr. CURTIS. Mr. President, as the Senator from Tennessee is not present, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Fletcher	McCormick	Robinson
Bayard	Frazier	McKellar	Sheppard
Borah	George	McKinley	Shipstead
Brookhart	Gerry	McLean	Shortridge
Broussard	Glass	McNary	Simmons
Bruce	Gooding	Mayfield	Smith
Bursum	Greene	Means	Smoot
Butler	Hale	Metcalf	Spencer
Capper	Harrell	Moses	Stanfield
Caraway	Harris	Neely	Stanley
Copeland	Harrison	Norbeck	Stirling
Couzens	Heflin	Norris	Swanson
Cummins	Howell	Oddie	Trammell
Curtis	Johnson, Calif.	Overman	Underwood
Dial	Johnson, Minn.	Owen	Wadsworth
Dill	Jones, N. Mex.	Pepper	Walsh, Mass.
Edge	Jones, Wash.	Phipps	Warren
Edwards	Kendrick	Pittman	Weller
Ernst	Keyes	Ralston	Willis
Fernald	King	Ransdell	
Ferris	Ladd	Reed, Mo.	
Fess	Lenroot	Reed, Pa.	

The PRESIDENT pro tempore. Eighty-five Senators have answered to the roll call. There is a quorum present. The question is upon agreeing to the amendment proposed by the Senator from Tennessee [Mr. McKellar] to the substitute proposed by the Senator from Alabama [Mr. Underwood].

The amendment to the substitute was rejected.

Mr. NORRIS. Mr. President, I am going to offer an amendment to the so-called Underwood substitute. I offer it for the purpose of clarifying what I believe to be the doubtful meaning of some of the language of that amendment. I ask Senators

now to give me their careful attention for a few moments while I lay before the Senate a matter which I think is of considerable importance.

It is generally understood, I think, by the Senate and by the country, that the substitute bill proposed by the Senator from Alabama provides for the compulsory manufacture of 40,000 tons of nitrates annually after the lapse of the preliminary period, regardless of whether the plant is leased under the provisions of that substitute or whether it is operated by the corporation set up by the substitute, and regardless of whether such nitrates, after being produced, must be sold at a loss or not sold at all. My amendment strikes out a few words in section 4 of the substitute. I wish Senators would get the substitute before them and mark the words that I want to strike out and then listen to me for a few moments on the question.

I want to say in the first place, Mr. President, that while I am very much opposed to the enactment into law of this substitute, if it is to be enacted I want to see the matter perfectly clear. Personally, I do not intend to vote for any amendment to it which in my judgment would make it worse than I think it is now, but I would vote for any amendment that I thought would improve it. I want to be frank with the Senate, and particularly with the Senator from Alabama, when I say that I do not believe any lessee of the Government getting this property, or the Government itself, ought to manufacture fertilizer at a loss.

I agree with all that Senators have said upon the importance of the fertilizer question. I am willing, if it can be done without a loss, to subject all of the power not only of Dams Nos. 2 and 3 but of every other dam that the committee bill provides shall be built on the Tennessee River to the manufacture of fertilizer. I am willing, moreover, to have money appropriated out of the Treasury to almost any extent for the purpose of experimenting, either through governmental officials or through private parties, if the Senate thinks that is best, for investigations with a view of improving and cheapening the manufacture of fertilizer. I am willing to accept any amendment to anything I propose which will fairly and honestly carry out that view.

The Senate and the country ought to know whether, if the Underwood substitute is enacted into law, it will require either the lessee or the Government to manufacture fertilizer at a loss. It may be that the Senate and the Congress will want to enact a law that will provide for that.

Personally I shall not vote for that; but if the Congress thinks that we are justified in doing that, of course I would cheerfully abide by the decision. I admit the importance of the subject; and while I am willing to go any length in any way that the majority of this body thinks best for the purpose of cheapening the cost of fertilizer, using public money for it, personally I am not convinced that we ought to manufacture fertilizer at a loss, unless we manufacture enough fertilizer at a loss to supply all the farmers of the United States and not just those in a small locality.

I think that the Underwood substitute is susceptible of great doubt. My motion is as follows: On page 3 of the substitute, in line 22, beginning after the word "defense," to strike out down to and including the word "so" in line 23, the language stricken out being "as far as it is practicable to do so"; and on page 4, in the same section, line 1, after the word "filler," to strike out the words "according to demand."

This substitute provides, and reference is made to it in other sections, that if a lease is made the lessee must carry out the provisions in sections 1, 2, 3, and 4 with reference to fertilizer. They are the only sections in the bill that provide for any guaranty of any kind as to the amount of fertilizer or nitrates that must be produced either by the lessee or by the Government.

Mr. HARRISON. Mr. President, will not the Senator state the amendment again or have it read at the Secretary's desk?

Mr. NORRIS. My amendment is to strike out, in lines 22 and 23, page 3, as follows: "as far as it is practicable to do so"; and on page 4, lines 1 and 2, to strike out the words "according to demand."

Let me take up sections 1, 2, 3, and 4. Senators will notice that later on in the bill where any reference is made to the amount of fertilizer that shall be produced the Government or the lessee, if the property is leased, shall agree to comply with sections 1, 2, 3, and 4 with regard to the manufacture of fertilizer. Let us see just what is in those sections.

If Senators will read section 1, they will find that it is a dedication of the entire plant, everything down there, to the

national defense and to the production of fertilizer. I have no objection to that. The committee bill, in different language, I think, has fully dedicated the plant to those purposes. There is nothing said there about the amount of nitrates or fertilizer that shall be produced.

Section 2 of the substitute provides that the Government can take the property over, if it is leased, or if this corporation has it, on five days' notice. There is nothing else in section 2. I have no objection to that. The committee bill has also provided that it can be taken over by the President not on five days' notice but on five minutes' notice. So there is no confusion so far, and so far we have not found anything in the bill about the amount of fertilizer that shall be produced.

Now we come to section 3. That is quite definite as to the amount of fertilizer that shall be produced, and I am going to read it. It is as follows:

In order that the United States may have at all times an adequate supply of nitrogen for the manufacture of powder and other explosives, whether said property is operated and controlled directly by the Government or its agents, lessees, or assigns, under any and all circumstances at least 10,000 tons the third year, 20,000 tons the fourth year, 30,000 tons the fifth year, and thereafter 40,000 tons of fixed nitrogen must be produced annually on and with said property, and no lease, transfer, or assignment of said property shall be legal or binding on the United States unless such adequate annual production of fixed nitrogen is guaranteed in such lease, transfer, or assignment.

I think that is definite. I think, unmodified, that would make it compulsory upon a lessee or this governmental corporation set up in the substitute to manufacture, after six years, 40,000 tons of nitrates every year. I want to be frank. I do not believe we ought to require that unless it can be done without a financial loss. Later in this debate I shall analyze the substitute more fully than I shall do now, because I am now going to confine my remarks to this one proposition. I do not believe we are justified in requiring a lessee or a governmental corporation to make 40,000 tons of fertilizer unless they can sell it without a loss. As I said before, we may do that. I think we will be wrong if we do it, but if we want to do that, let us do it with our eyes open. That has been what everybody, so far as I have heard, in and out of the Senate, thinks this substitute will require. If it can be done without a loss, it ought to be done, and I am for it. I do not believe it can be. The committee does not believe it can be.

Be that as it may, let us not have any misunderstanding. If section 3 stands without any modification by a subsequent section of the bill, that is what will be required, in my opinion, without any doubt. I do not believe any lawyer will contradict that. Any lawyer would say that either the Government or its lessee must make 40,000 tons of nitrate; loss or no loss, profit or no profit, it must make that much every year. If that is modified subsequently in the bill, then they would not be required to carry it out. In other words, we could say in section 3, "You must make 40,000 tons of nitrates every year," but we could say in another section, "You will not be required to make 40,000 tons as provided in section 3 unless you can do it without losing money on it," or "unless you can do it," putting in any other condition we want to put in.

As I look at it, section 4 is just that kind of a modification of section 3. Either we ought to let it be understood that that is what we mean or we ought to adopt the amendment which I have suggested and clear the subject of any doubt. Now, let me take up section 4 and see if it is not such a modification. It is as follows:

SEC. 4. Since the production and manufacture of commercial fertilizers is the largest consumer of fixed nitrogen in time of peace, and its manufacture, sale, and distribution to farmers and other users, at fair prices and without excessive profits, in large quantities throughout the country is only second in importance to the national defense in time of war, the production of fixed nitrogen as provided for in section 3 of this act shall be used, when not required for national defense—

Then comes the language I propose to strike out—
as far as it is practicable to do so—

And then follow the words—
in the manufacture of commercial fertilizers.

Suppose it could be demonstrated by a lessee, for instance, that it was not practicable to do so because it could not be done without a loss; would that be a defense? If we want to provide that that much shall be produced, whether at a loss or not, then we ought to strike that language out, it seems to me. If we do not want to compel the lessee, or this corporation, to do

it, loss or no loss, then we ought to say that in clear, unequivocal terms. Let me read on:

The United States, its agents or lessees or assigns, shall manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand, on the property hereinbefore enumerated, or at such other plant or plants—

And so forth.

Then follows the same language that is found in section 3, so many tons the first, the second, the third year, and so on, and after the sixth year 40,000 tons.

Suppose that is enacted as it stands, and the lessee, or this governmental corporation, manufactures a lot of fertilizer, and they say, "Here is the fertilizer. We will sell it at \$40 a ton. We can not sell it at any less. It costs us \$40 a ton to make it." Assume, then, that in the commercial world manufacturers of fertilizers are selling fertilizer at \$38 a ton. Will there be any demand for the \$40-a-ton fertilizer? Are we going to compel them to sell the fertilizer at a loss? Can not the lessee say, in defense of his refusal to carry out that provision, "There is no demand for our fertilizer. At \$40 a ton nobody wants to buy it. We can not make it any cheaper." Therefore these words "upon demand" ought to be stricken out if we are going to compel them to do that.

I do not believe we ought to attempt to require an impossibility, because if we attempt to compel the lessee, for instance, if this is leased, to make the fertilizer at a loss, no one will become a lessee, knowing that unless he can get somewhere else a sufficient profit not only to recoup his loss but to make a profit on the whole transaction. That is not only natural, it is not only good business, but it is absolutely fair. You could not expect anybody to do anything else. The same thing could be said of this governmental corporation. You can not expect them, unless you are going to give them an opportunity to recoup their loss somewhere else, to do that; and if you do, what is the result? What follows? The amount of fertilizer that they make they will sell at a loss, and those who can buy it will get some benefit out of it. The taxpayers of the United States will make up the deficiency, either through the lack of what they would otherwise get out of the lease or the loss that they would suffer out of the sale of the power, or through a direct appropriation by Congress. You can not get away from that proposition.

If a lessee decides, "I can not get enough money out of the other provisions of the lease to make up my loss and get a profit," and he sells the product at a loss, who gets the fertilizer? Within a radius of a comparatively few miles of Muscle Shoals agriculturists will get the cheaper fertilizer. That will follow because the lessee will be selling at a loss; but agriculturists generally, farmers over the country generally, will pay their share of the taxes to make up that loss, and I submit, Senators, it seems to me that no one who wants to be fair in this matter can say, "We are going to make fertilizer for a few farmers in a certain locality where the use of Government instrumentalities will not make a profit either for a lessee or a Government corporation, but we will give them a profit in some other way to make up their loss at the expense of all the farmers of the United States except a favored few."

I do not believe the farmers in the vicinity want such a thing. It is illogical. In the end it brings no good to agriculture as a general proposition. It is in effect giving a subsidy to the few people who will be able to buy the limited amount of fertilizer, which, it is admitted, will not supply the country by any means, at the expense of the balance of the country.

Mr. JONES of New Mexico. Mr. President, will the Senator yield?

Mr. NORRIS. I yield to the Senator from New Mexico.

Mr. JONES of New Mexico. I am listening with a great deal of interest to what the Senator has to say and I think I agree with him in his discussion of the terms of the bill. The last thought presented by the Senator, however, I am inclined to think might be questioned.

Mr. NORRIS. To which thought does the Senator refer?

Mr. JONES of New Mexico. That the few users of this particular fertilizer would have a special benefit or that it would result in a practical subsidy for the benefit of a few users. It seems to me that would not necessarily follow, because the people handling the fertilizer would sell it at the cost of fertilizer generally throughout the country, the cost of transportation being considered, so that it seems to me that being able to supply local demands would simply result in the producer of the fertilizer getting perhaps more

than the producer of other fertilizer which would have to be shipped into the particular locality. Inasmuch as the amount to be supplied here is small compared with the total production, I can not quite understand how the user of it would get it any cheaper than it could be had in the general market.

Mr. NORRIS. I want to take this occasion to thank the Senator. I think his argument is sound, and yet I do not believe it completely refutes what I have said. If what he has said is sound, and I am inclined to think it is as a matter of business, it only adds to my argument. It makes it that much more overwhelming. It makes it that much more convincing. They will have to sell their fertilizer at a loss, however, if they can not make it as cheap at least as other people make it. That must follow or they will not sell it. They will sell it at just as small a loss as they possibly can. That is true. Just as the Senator said, they will reduce it to just as small an amount as will be necessary to make it sell on the market, which for them will be a loss and as to which even to the local farmer in the vicinity of Muscle Shoals there will not be any gain. The Senator's argument fits in very nicely, it seems to me, with the fundamental proposition that I have laid down.

Mr. WADSWORTH. Mr. President, will the Senator yield at this point?

Mr. NORRIS. Certainly.

Mr. WADSWORTH. I am not sure of my own recollection, but perhaps the Senator can remember the testimony before the committee in which a witness stated the percentage of fertilizer nationally needed which might be produced at Muscle Shoals?

Mr. NORRIS. There is a discrepancy as to how much is nationally needed. The fertilizer experts have convinced me that to begin with the amount of fertilizer used in the United States is not half what ought to be used.

Mr. WADSWORTH. Not anywhere near half; but that is theory.

Mr. NORRIS. The amount needed is different from the amount actually used.

Mr. WADSWORTH. What I meant was the actual national demand.

Mr. NORRIS. The demand, of course, is fixed a great deal by the price. I think the amount used, giving it from recollection and stating it in round figures, is somewhere in the neighborhood of 8,000,000 tons annually in the United States. There will be about one-third of that, in round numbers that could be produced at Muscle Shoals.

Mr. WADSWORTH. Eight million tons?

Mr. NORRIS. Eight million tons in the United States. One-third of 8,000,000 tons could be produced at Muscle Shoals if 40,000 tons of nitrate were converted into fertilizer.

Mr. WADSWORTH. Forty thousand tons of nitrate would only make 200,000 tons of fertilizer, which is nowhere near one-third of 8,000,000 tons.

Mr. UNDERWOOD. The Senator is wrong about that. Forty thousand tons of fixed nitrogen is equal to 250,000 tons of Chilean saltpeter, and that would equal 2,000,000 tons of 2-8-2, a low grade of fertilizer. That is the usual measure. I think the figures of the Senator from Nebraska were a little high on the amount of fertilizer used last year. I think it was slightly under 7,000,000 tons.

Mr. NORRIS. I have heard those figures a good many times. The Senator from Mississippi [Mr. HARRISON] gave them to the Senate the other day.

Mr. UNDERWOOD. I think the total fertilizer consumed in 1923, if I recollect right, was slightly under 7,000,000 tons.

Mr. NORRIS. Let me ask the Senator from Mississippi if he can give offhand the amount of fertilizer used in the United States last year?

Mr. HARRISON. No, I can not; but I have a chart in my desk that will show it.

Mr. NORRIS. I have it in various places and have heard it many times.

Mr. UNDERWOOD. It is not very material.

Mr. NORRIS. No; it is only comparatively material. It is conceded that they can not make fertilizer enough with 40,000 tons of nitrates to anywhere near half supply the demand for fertilizer in the United States. It is conceded also that a mixed fertilizer has as one of its greatest items of cost the freight that is necessarily charged, so that the manufacturer of fertilizer anywhere in any locality is circumscribed to a great extent by the freight that has to be paid by his customers.

Mr. CARAWAY. Mr. President, I wish to ask the Senator a question.

The PRESIDING OFFICER (Mr. DIAL in the chair). Does the Senator from Nebraska yield to the Senator from Arkansas?

Mr. NORRIS. I yield.

Mr. CARAWAY. Conceding that the amount which may be manufactured out of fixed nitrogen, as proposed in the bill, is wholly inadequate to supply the needs of the American farmer, yet would it not reduce the cost of the whole by the addition of that much more on the market?

Mr. NORRIS. That, again, as an abstract proposition is true, but, as I said, the question of freight enters into it to such a very great extent that the territory in any locality is circumscribed to a great extent on account of that item.

Mr. CARAWAY. But I was coming to this point: The Senator was opposing a governmental plant or agency being used to cheapen fertilizer. As I gathered from his statement, it was unfair to the people to have this investment used to compel the lessee to manufacture something and sell it at a loss because the taxpayer would have to make it up. I wonder if all our expenditures have not been made on the theory that what helps production helps everybody. We carry every year a large appropriation to aid agriculture because if there is an increased production the city man finds it on his table. He must eat and he must wear, and therefore he can not complain that some appropriation has been used to increase production, because he certainly gets his full share of the benefit by reason of that increased production.

If the Senator will pardon me just a moment further, I have been opposed ordinarily, and am opposed now, to the Government engaging in a business that can be as well or better done by an individual. I think it is unsound economically for the Government to tax the people to get capital to engage in business to compete with the men who paid the taxes. It seems to me to need no demonstration. But we have this plant on our hands and want to lease it for some purpose. I hope we will make the lease so attractive that some individual will engage in the operation of it. For what purpose could it be used that would less conflict with private industry and more nearly contribute to national wealth than to compel them to make fixed nitrogen that could be used in the manufacture of fertilizer?

Mr. NORRIS. As I said in the beginning, if the Government of the United States wants to go into the question and can not find any way of cheapening it, and we decide that the question is of sufficient importance that we are going governmentally to make fertilizer for the American farmer, then we must treat all the American farmers alike.

Mr. CARAWAY. May I ask the Senator another question? Mr. NORRIS. Certainly.

Mr. CARAWAY. Is it not the fact that if A buys this particular brand of fertilizer and B buys another, it discriminates against B, because we realize that if it increases the volume and lessens the price, then every man shares alike? The Senator will know that I am not trying to be personal, but I remember that the Senator was the advocate of a measure to export wheat. It was not the expectation that every farmer would have his wheat exported, but that if we took away the surplus all the producers of wheat would profit by it and that there would be a general rise in price. On the same theory, if there is an increased output of the commodity called fertilizer, necessarily fertilizer would become cheaper and all would share in the reduction.

Mr. NORRIS. Let me call my friend's attention to what, to my mind, takes away his comparison or any effect from it. In the question of wheat there was a surplus. If we could take away the surplus, we would increase the price of wheat to the other producers. In the matter of fertilizer there is no question of any surplus, but we have not nearly enough. We have not anywhere near half the amount that ought to be used on the American farms. In my opinion, if it could be cheapened sufficiently there would be twice as much fertilizer used. It would be better for the consumer, as the Senator said, as well as the producer if we could cheapen it. The Senator does not quite state my wheat proposition in the bill I advocated, because it was not alone the surplus that I wanted to handle and that I provided in that bill should be handled, but it was the elimination of the profits that are accumulated and added to wheat and its products from the time it leaves the producer until it reaches the consumer, ordinarily known as the middleman's profit.

Mr. CARAWAY. I recognize that.

Mr. NORRIS. Here we are with the fertilizer proposition, where we do not want to increase the cost of fertilizer but we want to decrease it. Instead of getting rid of a surplus we would like to get one if we could.

Mr. CARAWAY. May I suggest to the Senator, if a surplus of wheat might break the price of wheat why will not a surplus amount of fertilizer break the price of fertilizer? That is the thing I am trying to say. The Senator said that if we leave the wheat in the country the surplus will pull down the price of wheat, and I think everybody concedes that. It is the last bushel that breaks the price. If a surplus of wheat will break the price of wheat, why will not an increased amount of fertilized tend to lessen the price of fertilizer?

Mr. NORRIS. As an abstract proposition I agree with the Senator entirely; but he must realize that if we made fertilizer at Muscle Shoals to the full capacity and got every pound that anybody says we could get there, it would not reduce the price of fertilizer in the State of Oregon, and I do not think it would reduce it in the State of Texas or in North Carolina or in Mississippi. I do not believe it would reduce it all over Alabama even, but it would reduce it in a certain locality if they sold it low enough. But we are so far from having enough that it would be like the Senator from New Mexico [Mr. JONES] said—they probably will not sell it one cent less than the commercial fertilizer, but will sell it for the same price and lose just as little as they can on the product.

Mr. CARAWAY. The best evidence that it would tend to lower the price is the hostility of what some people have been pleased to call the fertilizer trust. They apprehend that it is going to lessen their profits or else they would not oppose it. I am inclined to imagine that people who are engaged in the business have a more accurate knowledge of what the market will absorb without breaking than have I, and when I find those people who are engaged in exacting the last pound from the American farmer apprehensive that this is going to hurt their business I am inclined to imagine there must be something in it.

Mr. NORRIS. While the Senator's questions are very proper and all that, he gets away from what I said in the beginning was my real purpose; that is, to make plain what the bill is going to try to accomplish. Does the Senator believe if the Underwood bill shall be enacted that a lessee or a governmental corporation set up at Muscle Shoals could make fertilizer, unless some new and improved method be discovered, and sell it on the market without a loss in competition with the present fertilizer manufacturers?

Mr. CARAWAY. Let me answer the Senator's question in two ways. I think the Senator's amendment to clarify the language ought to be supported; there ought to be no difference of opinion about what an act of Congress means.

Mr. NORRIS. That is all I am trying to accomplish by my amendment.

Mr. CARAWAY. But I was trying to interrogate the Senator upon the theory which the Senator was just presenting. I wish first, however, to answer the Senator's question as to whether the lessee or corporation at Muscle Shoals could make fertilizer and sell it cheaper than the prevailing prices. I do not know. I have heard people who are authorities upon that question say that it could be done, and I have heard people, on the other hand, assert that it could not be done.

But the curious thing about it is that the people who assert that it can not be done are the very people who are opposing our doing it. They are the people who are engaged in the manufacture of fertilizer and putting it on the market. If it can not hurt their market why are they opposed to it? Therefore, I am inclined to imagine that the statement that fertilizer can not be put upon the market more cheaply than or as cheaply as they are putting it on the market now lacks convincing power.

Mr. NORRIS. I wish to say to the Senator that no man in the United States will be more delighted or happier than I if some one can produce fertilizer at a cheaper rate and make a profit.

Mr. CARAWAY. I concede that.

Mr. NORRIS. If I believed that that could be done, I would without any limitation require all this power, where it could be done to advantage and at a profit, to be used in the manufacture of fertilizer.

Mr. CARAWAY. Let me ask the Senator a question there.

Mr. NORRIS. The Senator may believe one way and I another; he may be right and I be wrong; but I am so well satisfied on the question that in my mind I have no doubt in reference to it. I realize, however, that men who are certain are sometimes mistaken when they are the most certain; and I do not set myself up as being that kind of an authority. I am no authority on the subject; I get my information from other people.

I have heard the statement made by some that fertilizer can be made at Muscle Shoals, with the knowledge that we now have, and sold at a less price than at present. If the Senate believes that, then it ought to have no hesitancy in striking out the words I have proposed to strike out.

Mr. CARAWAY. I think the Senate ought to strike the words out; but—and I wish to apologize to the Senator for taking up his time—I merely wish to suggest to him this additional idea.

I wish, in the first place, to acquit the Senator of any selfish motives. If the farmers have had an unselfish and constant friend upon the floor of the Senate it has been the Senator from Nebraska; no one questions that; but this is what I wish to suggest: Unless fertilizer can be manufactured and sold, we shall find no lessee for the plant, and we shall have a governmental corporation doing a thing for the benefit of all the people. If the Senator believes so ardently in the Government engaging in certain businesses in order to prevent monopolies, he ought to be willing to accept the Underwood bill, because, if he is correct that no private lessee can operate this plant and make a profit, then no private lessee would take it, and we will then have a governmentally controlled institution where all of the experiments which the Senator from South Carolina [Mr. SMITH] wants the Government to carry on can be conducted, and where all the theories as to the Government doing things better and cheaper than the private individual can be demonstrated in a fair field.

Mr. NORRIS. Mr. President, I do not want at this time to be led into a full analysis or discussion of the Underwood substitute. I wish to confine my remarks entirely to this one proposition, which to me seems to be so plain. Later on I am going to discuss the Underwood substitute at more length. As to this particular amendment, however, I am glad to have the approval of the Senator from Arkansas. It seems to me the amendment ought to have the approval of everybody.

Mr. CARAWAY. I think there ought to be no question about stating exactly what we are intending to do.

Mr. NORRIS. No; and that is all I am trying to do now.

Mr. CARAWAY. I see the certainty of a dispute arising. I do not think anybody is going to oppose the Senator's amendment. It ought to be accepted, because it makes everybody know exactly what will be the terms under the lease. There ought to be no opportunity for anybody to come back here and say, "We were misled by the language of the law."

Mr. NORRIS. Now, Mr. President, let me read the last modifying clause. Some of the other clauses ought to be stricken out so as to make the meaning perfectly clear. Reading from section 4, it provides:

The United States, its agents or lessees or assigns, shall manufacture nitrogen and other commercial fertilizers—

Suppose we strike out the words "mixed or unmixed." It continues:

according to demand, on the property—

And so forth. Can there be any doubt in anybody's mind that if they can not manufacture a fertilizer for which there is a demand they would be excused by any court on earth from making any fertilizer? Section 3, it is true, makes it positive; but section 4, from which I am reading, is the section designed to carry out the command of section 3, and it says, in effect, "You do not have to make it unless there is a demand for what you make; you do not have to make it except in so far as it is practicable to do so." Would a court say it was practicable if it could be shown that they could not make it without losing money? Would a court, in view of the words "according to demand," say that they would have to make it when there might be no demand for the fertilizer that they might make? Is not the price of fertilizer one of the factors that create the demand? If I made fertilizer that I could not sell for less than \$100 a ton I would not be able to sell it unless I sold it at a loss, and I could say at once, "There is no demand for this fertilizer," and any court, it seems to me—certainly I think I would so hold if I were the judge, and the case came before me—might well say, "Notwithstanding section 3, although that section 3 says you must do it, section 4 tells you how you must do it, and is the exception."

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Utah?

Mr. NORRIS. I yield.

Mr. KING. But the Senator must construe the section which he is now reading in connection with an anterior one.

Mr. NORRIS. That is section 3; that is what I am doing.

Mr. KING. That section compels the manufacture the first year of 10,000 tons of nitrogen and an increased number of tons each year. It seems to me that the last section to which the Senator has called attention is not a modification so far as the requirement to manufacture a given number of tons annually of nitrates is concerned.

Mr. NORRIS. If it is not a modification, what is it? If it is not a modification, then it is in exact contradiction of section 3, and there are two conflicting sections following each other. What I am trying to do by this amendment is to make it plain.

Mr. KING. If the Senator will pardon me, I do not think there would be any conflict, for the reason that the two sections may be differentiated. The first section requires the manufacture of nitrogen for explosive purposes, though the Government might not need it, whereas the latter section, which the Senator is now discussing, compels the manufacture of fertilizers. If we declare in one section that there must be manufactured a large tonnage of nitrogen annually, to be held in storage for the Government, that declaration is not in conflict with the subsequent provision.

Mr. NORRIS. Now, let me take the Senator's construction while it is fresh in the minds of Senators. Here is the construction of one of the leading lawyers of the United States on the floor of the Senate, who says, "Here is what it means: They would have to make nitrogen for explosive purposes provided for in section 3, but they would not have to make a pound of fertilizer provided for in section 4." That is what it means; that is the logical result of the Senator's construction. It is section 4 that says they shall make fertilizer, and that is what the farmer is interested in. You fellows who are backing up the Underwood substitute are trying to make the country believe that the farmer is going to get cheaper fertilizer, and here is one of the great lawyers who admits on the floor of the Senate that, while they would make nitrogen for explosive purposes, they could leave it piled up there, and would not have to make a pound of fertilizer unless they could make it at a profit; and I agree with him.

Mr. KING. Will the Senator yield further?

Mr. NORRIS. Yes.

Mr. KING. I do not want the Senator to class me with the "fellows," to use his expression—

Mr. NORRIS. I apologize for that.

Mr. KING. Who are supporting the Underwood bill, because I am opposed to it.

Mr. NORRIS. I apologize again to the Senator, but I will not apologize, particularly now, for what I have said about the Senator being a great lawyer. [Laughter.]

Mr. RALSTON. Mr. President—

Mr. HARRISON. I should like to ask the Senator from Nebraska a question, but the Senator from Indiana rose first.

Mr. NORRIS. I yield to the Senator from Indiana.

Mr. RALSTON. As I understand, the possibilities of power at Muscle Shoals far exceed the amount that will be required to make 40,000 tons of fixed nitrogen annually. That being true, I should like to ask the Senator what significance he attaches to this phrase in section 4, found in line 4, on page 4:

Using the most economic source of power available.

Mr. NORRIS. I will say to the Senator that personally I have no objection to that language, because I think it contemplates that there may be discovered a cheaper method of manufacturing fertilizer, which will require very little power, perhaps steam power or secondary power, or something of that kind. I have no objection to their using just as cheap power as they can get, no matter the source from which they get it, if they will make the fertilizer.

Mr. RALSTON. It will have no tendency, the Senator thinks, to limit the production of power?

Mr. NORRIS. They will, of course, want to use all the power they can in commercial enterprises and for sale; there is no doubt about that. I do not want to take that power away from them if it does not detract from the manufacture of fertilizer.

Now, I wish to say further to the Senator from Indiana that if they undertake to make nitrates at nitrate plant No. 2, which is in existence now and can be started up to-morrow, and which has a capacity of 40,000 tons annually, it will require practically all of the primary power of Dam No. 2, which in round numbers is about 100,000 horsepower. So if they use that power there will be nothing much left of the power from Dam No. 2 except secondary power.

When Dam No. 3 is completed a large amount of secondary power and about 40,000 primary power will be added to it. Some of the secondary power will be very valuable. If the

committee's bill should be enacted into law, it is our theory and belief that eventually more than half of the secondary power at Dams Nos. 2 and 3 can be converted into primary power; so that instead of having 100,000 primary power at Dam No. 2 we would perhaps in the end, when we develop the Tennessee River properly, have 500,000 primary horsepower. That is where the great profit would come in; that is where the great development should take place by the conversion of this vast amount of secondary power at Dam No. 2 into primary power, because we have at times at Dam No. 2 1,000,000 horsepower, all of which except about 100,000 horsepower is secondary. It can not be used all the year, and therefore some of the 1,000,000 horsepower is not very valuable. For only about 7 or 7½ per cent of the time is there 1,000,000 horsepower at that dam. In between 1,000,000 horsepower and the lesser amount, however, there is any amount of secondary power, some of which is good for 11 months in the year; and by the use of the auxiliary plant to help out, or the building of a storage dam farther up to help out, that can be converted at very little expense into primary power.

When the Senator from Arkansas was propounding his questions to me I forgot to refer to something else that he asked me about, and that was, in substance, that we could not get a lessee to take this property unless he could make a profit out of the manufacture of fertilizer.

I do not agree with that statement. I do not profess to say whether, if the Underwood bill is passed, there will be a lessee who will take the plant or not. I am not going to prophesy on that question, but I will say that a lessee might take that plant knowing that he was going to lose money on every pound of fertilizer that he made and that he would make it up upon the sale of power that would be his; and if I were going to bid, or any other business man were going to bid, I think this question would be presented:

"In the first place, I stand this chance: If somebody improves and cheapens the cost of fertilizer, I may make a profit out of that." If that is done, if it is cheapened—as in time I think it will be—we will get cheaper fertilizer. "But that is a gamble," he would say. "I will take it as it is now." He would figure out how much he was going to lose on it, and he would figure out how much he could make on the balance of the lease, consisting of water-power disposal, which would be profitable, everybody concedes; and if he could make enough on that to recoup his losses on the fertilizer and also make a profit in the end on the whole transaction, he would probably bid and become a lessee. I do not know how that is going to terminate. That would be the same as the governmental corporation which the substitute sets up.

I wish Senators would remember that what I am trying to do with this amendment is only to make clear what Congress wants to do. Let us say in so many words: "You will not have to make fertilizer unless you can make it at a profit," or let us make it certain that they will have to make fertilizer and that the governmental corporation will have to make fertilizer, whether it is made at a profit or at a loss. If these words are stricken out, then there can not be any doubt about what is meant.

Mr. McKELLAR. Mr. President—

The PRESIDING OFFICER (Mr. COPELAND in the chair). Does the Senator from Nebraska yield to the Senator from Tennessee?

Mr. NORRIS. I yield.

Mr. McKELLAR. The Senator's amendment is to strike out, on page 3, line 22, "as far as it is practicable to do so"?

Mr. NORRIS. Yes, sir.

Mr. McKELLAR. And on the next page, to strike out "according to demand"?

Mr. NORRIS. Yes, sir.

Mr. McKELLAR. Those are the two changes?

Mr. NORRIS. Yes, sir.

Mr. McKELLAR. And the Senator is of the opinion that while under section 8 the lessee would be required to manufacture the specified amount of nitrate for war purposes, under section 4 the lessee would not necessarily be required to manufacture it for the farmer?

Mr. NORRIS. That is the construction placed on it by the Senator from Utah [Mr. KING]. That was not my construction.

Mr. McKELLAR. The Senator wants to make it absolutely sure by striking out those words?

Mr. NORRIS. Yes, sir.

Mr. McKELLAR. I think that it ought to be equally fixed and determined that the lessee or the Government should

manufacture in times of peace the specified amount of nitrates for fertilizer purposes.

Mr. NORRIS. Regardless of cost?

Mr. McKELLAR. Regardless of cost.

Mr. NORRIS. Then the Senator will vote for this amendment.

Mr. McKELLAR. Therefore, I shall certainly vote for the Senator's amendment, because I think it is in that line. I think it would be a monstrous thing to utilize this plant or to lease this plant and not actually require the production of fertilizer. I believe the farmers of this country would rise up almost en masse and destroy everybody connected with it if it was not used for that purpose in time of peace.

Mr. NORRIS. Let me ask the Senator a question: Does the Senator think that the farmers of the country are demanding that fertilizer be made and sold to them at a loss?

Mr. McKELLAR. No; but I believe unquestionably that if it is required to be manufactured it can be manufactured at a profit and not at a loss.

Mr. NORRIS. I hope that may be the result. The Senator believes that. He may be right. From all my investigation—and I wanted to reach the other conclusion; I was just as anxious as the Senator was to reach the other conclusion—as far as I went with the facts and the evidence that came to us, I reached the opposite conclusion.

Mr. McKELLAR. I disagree with the Senator entirely as to that.

Mr. NORRIS. If the Senator believes that, and if that be true, nobody is hurt by striking out these words and compelling them to make 40,000 tons of nitrate annually. If they are going to make it at a profit, even if we put in language saying that they would not be required to make it unless they did make it at a profit, the Senator would not have any doubt but that they would have to make it, because he thinks it will be profitable anyway.

Mr. McKELLAR. Yes; I am in favor of forcing the lessee to make fertilizer for the farmer, and I have not any doubt in my own mind that it can be made at a profit. It is being done in other countries, especially in Europe, and I see no reason why it should not be done here.

Mr. REED of Missouri and Mr. RANDELL addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nebraska yield; and if so, to whom?

Mr. NORRIS. I yield first to the Senator from Missouri, who addressed the Chair first.

Mr. REED of Missouri. I desire to ask the Senator from Tennessee a question.

Mr. McKELLAR. The Senator from Nebraska has the floor.

Mr. NORRIS. I yield for that purpose.

Mr. REED of Missouri. The Senator states that he believes fertilizer can be made at a profit, and therefore he is in favor of forcing the making of it. Does the Senator know of anything that can be made at a profit where you have to force anybody to enter that business by a statute or by a contract?

Mr. McKELLAR. Oh, I did not mean it in the sense in which the Senator takes it. Here will be a prospective lessee coming forward to lease this property. It may be that he will not make any actual profit on his fertilizer business at all, but that he will make an enormous profit on the excess of power that he will have.

Mr. NORRIS. Let us just take that question, then. Where does he get that power? How is he enabled to have it?

Mr. McKELLAR. If the Senator will excuse me just a minute, when we are going into this proposition we ought to make the best deal we can for the people of this country; and confessedly the two prime objects of this legislation are, first, to have an adequate supply of nitrates in time of war, and, second, to add to our supply of nitrates in time of peace for fertilizer purposes.

Mr. NORRIS. I think the Senator's answer to the question almost demonstrates that the Senator himself does not believe that with the present knowledge of the fertilizer business it can be made at a profit at Muscle Shoals unless the method of making it is cheapened, because he says that even if the lessees lose money on the fertilizer business they can make it up out of the profits on the water power. If we want to do that, that means in effect that we are paying for the loss on the fertilizer out of the Treasury of the United States. It may become so important some time, if no improvement is ever made, that we will go that far. I am not willing to do it yet. In other words, the Senator says, "Here is another property owned by the Government. We will lease that to

you on such favorable terms that instead of taking the money out of the Treasury we will just let you take it out of this other property by a cheap lease to recoup your losses on the fertilizer proposition." Do the farmers of America want that? Then, as I said a while ago, when that is accomplished it means that the benefit of that reduction—in effect, a reduction made possible by a subsidy from the Treasury of the United States—is paid for by the other farmers who are not within reasonable distance of the place where this fertilizer is manufactured, because the freight rate on fertilizer, unless some new method of mixing it is discovered, will preclude the shipping of fertilizer from one factory for any very great distance to compete with fertilizer made at another locality. Then, third, as the Senator from New Mexico so logically reminded the Senate, this lessee when he is making this fertilizer will, of course, sell it for just as much as he can get for it. Nobody will blame him for doing that. He goes into it for profit, and all he will do will be to sell it low enough to put it on the market and make it sell; so that even the local farmer is not going to get very much benefit out of it, and the general farmer will get none and will have to contribute his share to make up the loss.

Mr. McKELLAR. Mr. President—

Mr. NORRIS. I yield.

Mr. McKELLAR. The Senator will recall that the bill provides that the lessee can not make more than 8 per cent profit.

Mr. NORRIS. Yes.

Mr. McKELLAR. And of course he would be limited in that way.

Mr. NORRIS. I want the Senator to get his statement correct—8 per cent profit on the fertilizer.

Mr. McKELLAR. Yes.

Mr. NORRIS. There is no limitation in the Underwood bill upon the amount of profit he can make on the water power.

Mr. McKELLAR. That is true. It is on the fertilizer.

Mr. NORRIS. I do not think he will make any profit, but I hope the cost will be reduced so that he can.

Mr. McKELLAR. I thought that was exactly what I said.

Mr. NORRIS. No. On the whole transaction he may make any kind of profit, because there is not any limitation in the bill except on the fertilizer that is manufactured.

Mr. McKELLAR. The limitation is, "not to exceed 8 per centum of the fair annual cost of the production" of the fertilizer.

Mr. NORRIS. Yes.

Mr. McKELLAR. Now I want to say this to the Senator, if he will pardon me just a moment: I have not determined how I am going to vote on this bill. There are many doubts in my mind both as to the Senator's bill and as to the substitute that has been proposed; but it does seem to me that we ought to be very careful to effectuate two results: First, the manufacture of nitrates in time of war; second, the manufacture of nitrates for farmers in times of peace. I am rather inclined to think that the Senator from Utah was exactly right a while ago when he said that under section 4 of the substitute the company could not be required to manufacture any nitrogen for fertilizer purposes unless there was a demand for it. I think that is a fair interpretation of this language.

Mr. NORRIS. Unless there was a demand at a price for which they could make it at a profit.

Mr. McKELLAR. Yes; because the words "as far as it is practicable to do so" would raise that whole question, and I am inclined to think the Senator is right. I think that should this property be turned over to a lessee he ought to be required to do it, because I believe that the lessee can make this fertilizer at a profit, or at least not at a loss.

On yesterday, as I recall, the Senator from Alabama, in discussing the question of compensation—which, as I understand, is the very small sum of 4 per cent on about \$45,000,000—said that one of the reasons why it was made small was because we were requiring the production of 40,000 tons of fixed nitrogen a year after the initial years had passed. There is where a consideration is being offered to a proposed lessee—a consideration in the way of a reduction of rent to the proposed lessee in order to secure the production of nitrogen year by year. If section 4 does not require that, then we certainly should raise the rental.

Mr. UNDERWOOD. Mr. President, I will say to the Senator from Tennessee, if my friend will allow me for a moment, that the Senator from Nebraska and I have already discussed this question, and I have already agreed that the annual production should be 40,000 tons; but I want to say to the Senator from Tennessee, who may not have heard me several days ago, that of course we are making a concession to the lessee in

cheap power to try to get him to make 40,000 tons of nitrate annually, and I believe he should be made to produce it; and when the Senator has finished, if the Senator will give me the opportunity to say so to him, I will give him the reasons why I think this clause applies.

I want to call the Senator's attention to one thing before we get away from it—the words "subject to demand" as used in this paragraph. This is, as I said the other day, a copy of the Ford proposal. Section 4 is the same language as that used in the Ford contract, and I put it bodily in the substitute, so I am not directly responsible for the language. It was accepted by those who were favorable to the manufacture of fertilizer. But "subject to demand" does not mean subject to demand of the market. If Senators will read it carefully, they will see that it means subject to the demand for that kind of fertilizer, 2-8-2, or some other kind that the market wants to absorb.

Mr. McKELLAR. It would clarify it very much if the Senator would accept the amendments offered by the Senator from Nebraska, and I hope the Senator from Alabama will do so.

Mr. UNDERWOOD. I will say to the Senator from Nebraska that when he gets through I want to answer him, because I do not want his statement concerning this substitute to go into the Record without reply; but I want to say to him, as I said the other day when this discussion was opened, that I am in favor of compelling the lessee of this property to make 40,000 tons of nitrogen, and the requisite amount of fertilizer to consume it, regardless of whether he makes a profit or not; and the Senator can not make my substitute too certain in that regard.

Mr. NORRIS. I thank the Senator for his very frank statement.

Mr. UNDERWOOD. I said that when I opened the discussion the other day.

Mr. NORRIS. I realize that, and I have no other object in view than to make it certain. I think these two clauses which I undertake to strike out are two loopholes which, if they were not stricken out, would permit the lessee or this governmental corporation to crawl out, and they would not have to make any fertilizer if they could demonstrate, which I think they would be able to do, that they could not make it except at a loss. I am glad to have the Senator's statement. It gets everybody straight on the record. We will vote on this proposition with a clear understanding, and I think that if the Senator means that he ought to accept my amendments.

Mr. UNDERWOOD. I may; but I want to tell the Senator first why his amendments are not necessary.

Mr. RANDELL. Mr. President—

Mr. NORRIS. Before the Senator from Louisiana interrupts me, let me take up one question which the Senator from Alabama has raised.

First, he says that this language was taken bodily out of the Ford proposition. Of course I knew that, and I think we all knew it. That was one of the loopholes I always thought existed in the Ford proposal which would relieve him from the manufacture of the amount of nitrates stipulated, to wit, 40,000 tons; and if the Ford proposition had remained before us I would have gone into some detail and spoken at some length to discuss that legal proposition, because it is a legal proposition entirely.

I know that the best of lawyers disagree. I am glad, however, to have the approval of so eminent a legal authority as the Senator from Utah [Mr. KING] of my construction. I myself can not see any other way out of it. I want to read this clause again, since the Senator from Alabama has interrupted me. I shall leave out some of the modifying clauses, but first I will read it just as it is here:

The United States, its agents or lessees or assigns, shall manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand.

I anticipated that some one would say that this phrase, "according to demand," means whether it shall be mixed or unmixed, whether it shall be with filler or without filler. They are just modifying clauses. The principal part of the clause is "shall manufacture"; and how shall they manufacture? Let us leave out the modifying clauses. They shall manufacture "nitrogen and other commercial fertilizers * * * according to demand."

It is true they have to manufacture the fertilizers mixed or they have to manufacture them unmixed, because the demand may come either way. A farmer or a dealer may come along and say, "I want unmixed fertilizer." Under this substitute as it stands now they would have to manufacture it unmixed. The next man who came along might say, "I want

my fertilizer mixed." They would have to manufacture it mixed, for that would be the demand. However, in the vicinity where the fertilizer is made the price may be \$38 a ton, let us say for illustration, and our lessee, or the governmental corporation, would have no \$38-a-ton fertilizer, and they would not have to make any, because there would be no demand for the \$40-a-ton fertilizer. The price is part of the thing that enters into the demand.

Even if that is all wrong, even if there is no loophole there, why be uncertain about it? Do not take my judgment about it. I do not profess to set myself up as the criterion. Take the judgment of the Senator from Utah [Mr. KING], who agrees with me in the construction of section 4. The Senator from Tennessee [Mr. McKELLAR] practically agrees with me, and the Senator from Arkansas [Mr. CARAWAY] agrees with me in that construction. If there is a reasonable doubt in any man's mind, let us make the matter clear.

We all may be wrong, and nobody may be right except a few fellows who say that has not anything to do with it. But we are entitled to our opinion. We hold it honestly. How do we know, when we get out and test this case in the courts, if the property is ever leased and the matter is tested, that there will not be some judge sitting on the bench who does not know any more than we do, who is not any wiser than is the Senator from Utah? The question may come before such a judge. Notwithstanding all your wisdom you would lose out. You are likely to run up against just such judges on the Federal bench. Some of them are very able; some of them perhaps are not so able. Those judges are going to pass on the question if it gets into court, as it probably will if we pass the substitute.

Let us shear it of all that doubt. Let us make it certain. The author of the Underwood amendment, the Senator from Alabama himself, says, "I am in favor of compelling the manufacture of this much nitrogen." Then let us do it. Let us not leave a loophole for them to crawl through. Let us make it certain that it has to be done, and pay the money out of water-power profits, or make an appropriation from the Treasury of the United States and pay the deficit, if there is one.

Mr. RANDELL. Mr. President—

The PRESIDING OFFICER (Mr. BAYARD in the chair). Does the Senator from Nebraska yield to the Senator from Louisiana?

Mr. NORRIS. I yield.

Mr. RANDELL. I want to say that I agree with the construction which the Senator from Nebraska places upon sections 3 and 4, if they are to be adopted, and I believe it is essential to have the two amendments to section 4 which he has suggested. But I did not intend to ask him about that.

In his discussion with the Senator from Arkansas [Mr. CARAWAY] and the Senator from Tennessee [Mr. McKELLAR], the Senator from Nebraska spoke about the possibility of recouping losses made in the manufacture of fertilizer by the sale of the power. We seem to have forgotten that very important feature of the bill. Many of us have not even discussed it. I know the Senator from Nebraska has not. I want to ask him now if there is anything in the Underwood substitute requiring the sale of the surplus power. I confess the only thing I see in the bill on that subject is in one of the closing sections.

Mr. NORRIS. Section 10.

Mr. RANDELL. That is right, it is in section 10, and this is the way it reads:

The surplus power not required under the terms of this act for the manufacture of nitrogen or fertilizer, when sold or used shall be subject to the laws, rules, and regulations relating to the sale and use of electric power in the several States in which said power is used.

The Senator, arguendo, at any rate, seemed to concede that the lessee, if there be one, would have to sell this power, and that he might be able to sell it at a pretty good profit, which would recoup him for losses perhaps incurred by him in the manufacture of fertilizer under the terms of sections 3 and 4. But I want to say very frankly to the Senator from Nebraska and to other Senators that one of the great objections I had to the Ford offer was that Mr. Ford would not sell any power, but would probably consume every ounce of it in great manufacturing plants.

One objection I have to the Underwood substitute, as I construe it, is that if we find a lessee under the terms of that measure, he may do exactly the same thing which some of us at least thought Mr. Ford would do—not sell that power to consumers throughout the surrounding States—but, so far as this substitute goes, would use it in his own manufacturing

establishment if he desired so to do. I wish to ask the Senator if there is anything in the substitute, so far as he understands it, that would prevent such use of the surplus power?

Mr. NORRIS. Mr. President, the Senator has read section 10, which provides for that. I would like to say to the Senator, however, as he came in after I started, that I offered this amendment, and I said quite a number of times that later on, before the substitute is voted on, I intend to more completely analyze in detail the substitute itself. But the object I had in mind this morning was only to make clear to the Senate just what those who favor the Underwood substitute wanted, and I offer these amendments with the view of at least getting an absolute clarification of what is meant in the manufacture of nitrogen or fertilizer provided in section 4.

Although I do not want to discuss the question, I will say in passing that I agree with the Senator that it should be required that this surplus power be distributed as the committee bill, I think, provides it shall be distributed, to as many consumers as possible, taking into consideration the amount of power and the various distances. I agree with the Senator fully, as he knows I do, because of the various discussions we have had in the Committee on Agriculture and Forestry, of which he is an honored member.

Mr. RANDELL. I wish merely to add that I have heard all the Senator's argument, and I understood that he intended to go into this more fully later. The only purpose of my question was to elucidate a portion of his argument which he probably overlooked, which seemed to concede that under the terms of this substitute it would be necessary to sell the surplus power. I do not consider it so at all. I hope I may hear the Senator's able discussion of it, and I hope I will be able to make some remarks myself, and if my voice permits I shall certainly do so. I am heartily in accord with the Senator's amendments to these two sections.

Mr. UNDERWOOD. Mr. President, I have made an argument on this subject several times. The language in section 4, as I have said, is taken from the Ford offer. I adopted that language because it was known throughout the country, and approved by the farmers of the United States as a satisfactory proposition to them for the manufacture of fertilizer, at least by that class of farmers who approved the Ford bill.

We have had a great deal of discussion here about things which it seems to me are perfectly clear from a business standpoint. I said the other day, when I made my first address on this subject, and I said it as clearly as it could be said, that I wanted this legislation to compel the production of 40,000 tons of nitrogen, after the period of time specified had elapsed—which is now six years, though I made it four originally—and the manufacture of fertilizer that would consume that much nitrogen. I have not a doubt, so far as the lessee is concerned, on that subject as the language stands.

I have no serious desire to oppose the amendment offered by the Senator. I realize that he does not offer the amendment to try to perfect my bill, but he wants to raise the question that we should not compel anybody to make fertilizer. I realize his purpose in offering the amendment.

Mr. NORRIS. Mr. President, may I interrupt the Senator there?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Nebraska?

Mr. UNDERWOOD. Certainly.

Mr. NORRIS. The Senator has not quite correctly stated my purpose. I want to say very frankly to the Senator, as I tried before to make plain, that the object I have is to make clear to the Senate just what is intended. If the Senator himself said that he did not want it; for instance, if the Senator said, "I do not want to compel them to make fertilizer unless they can make it at a profit," I would withdraw my amendment. I am not trying to play with the Senator or his amendment.

Mr. UNDERWOOD. I know, but the Senator has said enough on the floor to justify me in saying that he is going to oppose the proposal because it might compel somebody to make nitrogen or fertilizer at a loss. There is the difference. The Senator is in favor of a power proposition. I do not criticize his bill from the standpoint of the development of great powers in that neighborhood. That is the Senator's objective. The fertilizer and nitrogen parts of his bill are merely experimental, and I think we agreed on that the other day. I am not for a power proposition. I am out for national defense and fertilizer. There is the critical line of difference between the bill proposed by the Senator from Nebraska and the substitute proposed by myself. It is a perfectly clearly drawn line between an effort to develop great power for the use of manufacturing plants to be sold in that

community, and the development of nitrogen for national defense in time of war and fertilizer in time of peace. We did not differ the other day, and we do not differ now; but I want to say without any long argument that the bill as it stands does require the manufacture of 40,000 tons of fertilizer, and I will tell the Senator why, even with the doubt he has thrown on the language which he read.

The Senator a moment ago said that section 3 required the production of 40,000 tons of nitrogen annually, and he did not doubt it.

Mr. NORRIS. Oh, no; I said section 3 was perfectly positive on that, and, standing alone, I had no doubt could require it if it were not modified by section 4.

Mr. UNDERWOOD. If the Senator will bear with me a moment, section 3 compels the lessee to make 40,000 tons of nitrogen. If he does not make it into fertilizer, what is he going to do with it? Is he going to throw it into the river? He can not go into refrigeration because that territory is occupied by a cheaper nitrogen, a nitrogen with which he can not compete, a nitrogen which comes from a by-product plant in the form of by-product ammonia. It is impossible for him to enter that field because that is a by-product and it will always undersell him.

I admit there is a small amount of nitrogen used for explosives and blasting powder in time of peace and some in experimental stations, but the amount is not 1 per cent of the production of this plant. When we compel the lessee to make 40,000 tons of nitrogen he has but one way to sell it, and that is to convert it into fertilizer to be sold to the farmer. There is no other market. He can either do that or throw it into the river.

Taking section 3 in connection with section 4, it is perfectly clear to my mind, and I think to any other man's mind, that section 4 does compel the lessee to make 40,000 tons of nitrogen every year whether he makes it at a loss or a profit. There is nothing unusual in that. Suppose I made a contract with a lessee to duplicate the Capitol for \$40,000,000. The lessee would not enter into the contract unless he thought he was going to make a profit. If he failed to make a profit the loss would be his. There is nothing unusual in that. We talk about this contract with the lessee as if there were something unusual involved.

Mr. CARAWAY. Mr. President, may I interrupt the Senator at that point?

Mr. UNDERWOOD. Certainly.

Mr. CARAWAY. In line 22, on page 3, the Senator has the words "as far as it is practicable to do so in the manufacture of commercial fertilizers."

Mr. UNDERWOOD. That is language that I lifted bodily out of the Ford offer and put in my amendment.

Mr. CARAWAY. And that was one of the very objections some of us had against the Ford offer—that he might not find it practicable to do so. It does not mean anything unless it is qualified, and therefore it ought to go out, ought it not?

Mr. UNDERWOOD. I think so, if there is any objection to it. I left it in because I wanted to put the Ford offer in my amendment and because I thought everybody would understand it. If there is any question about it, it does not affect it.

Mr. CARAWAY. If it does not give some grounds for doubt, there would be no use for it there. I imagine that it might be the thing upon which a controversy might be hinged after a while with some lessee.

Mr. UNDERWOOD. I have no serious objection to that language going out.

On the other question of the words the Senator from Nebraska wants to go out—"according to demand"—my interpretation of those words and the interpretation of everybody else that I have talked to has been according to the demand of the particular kind of fertilizer, but I admit the phrase does not mean much in there. I have no particular desire to retain it. If the Senator from Nebraska wants to go to the Senate on the issue that I have a substitute here that is going to make the lessee live up to his contract whether he makes money or not, I am perfectly willing to face the Senate and the country on that issue.

I want to say to the Senate, and we might as well understand it, that there are some Senators in the Chamber who are talking about fertilizer for the benefit of the farmer—I am not referring to the Senator from Nebraska in charge of the bill, even though I am looking at him—who say they want to help the farmer to get fertilizer in time of peace, and yet they are more desirous of getting a production of electrical power for the development of mills in their own local communities than they are of getting cheap fertilizer for the farmers of

the United States. That is all there is to the proposition. If we want fertilizer let us compel somebody to make it. If we want power, why not be as candid as is the Senator from Nebraska? He said that this can not be done, that this is not the time to do it, that he is willing to experiment, but he is not willing to go further than experimentation; that he believes in developing the power and selling it for the benefit of the industrial plants of America, especially in the South.

There are two angles to the situation. I admit that with this power there could be a great development of the mill interests in the States surrounding Alabama and in Alabama itself, but I say we are pledged first to national defense in the project, and next to a suitable production of fertilizer for the farmer. There is the line, and if we make a contract with the lessee I have written in the bill an offer to sell him some very cheap power if the Secretary of War agrees and does not raise the price. The terms of the bill would let him take over the plants practically without a lease, unless the Secretary of War raises the price when he comes to make a contract. Why do I suggest that? It is because I want to be sure that 40,000 tons of nitrogen are going to be made every year, and that in time of peace the 40,000 tons of nitrogen shall go into fertilizer, which, at 2-8-2, would mean 2,000,000 tons of fertilizer that would go to the farmers of America. There is the line drawn. If we go out and say that we are going to compel the lessee to sell his power to somebody and not at the best advantage, we may drive the lessee out of the market. The bill permits the lessee to use the surplus power as he thinks best. He is not compelled to sell it, because I am proposing to offer it to him as a bid to go in there and take his chance on making 40,000 tons of nitrogen and 2,000,000 tons of fertilizer for the American people.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. UNDERWOOD. I yield.

Mr. McKELLAR. Then, as I understand the Senator, he is offering a reduced rental as a consideration to the lessee to compensate him for any loss he might have on the nitrogen.

Mr. UNDERWOOD. Undoubtedly. Somebody suggested a while ago that perhaps the bill did not reflect into the cost of the fertilizer the cheapness of the power. I should be very glad to accept an amendment that would reflect the cheapness of the power into the cost of the fertilizer if my amendment does not already do it.

Mr. McKELLAR. I do not know that I catch just the point the Senator is making.

Mr. UNDERWOOD. I am not sure that it was the Senator from Tennessee who suggested that. In the debate here it was suggested, and I think the Senator himself suggested, that the lessee was compelled to sell the fertilizer at a profit of not more than 8 per cent. He said the cheapness of the power was not included in that estimate. I am not sure that my amendment does not include it, but I am perfectly willing to accept an amendment that will reflect it. In other words, my objective is powder to defend the Government in time of war, and cheap fertilizer, if we can get it, for the farmers of America in time of peace. Outside of that I am not going to tie the hands of the lessee and tell him how to sell the power. I want him to dispose of it in the most profitable manner he can and reflect that profit in the cost of the fertilizer.

Mr. KENDRICK. Mr. President—

Mr. UNDERWOOD. I yield to the Senator from Wyoming.

Mr. KENDRICK. The Senator will remember that in connection with this very question yesterday I called attention to the fact that the enormous investment of the Government under the measure was to be given to the lessee free of any cost of rental.

Mr. UNDERWOOD. No; not entirely free of cost.

Mr. KENDRICK. I mean to say the incidental properties.

Mr. UNDERWOOD. The nitrogen plant?

Mr. KENDRICK. Yes; the manufacturing plant.

Mr. UNDERWOOD. I will say to the Senator that so far as my amendment is concerned it would authorize that if the Secretary of War wants to do it. There is a minimum fixed, and he can raise it if he wants to do so.

Mr. KENDRICK. I want to ask the Senator if he does not believe in the interest of good business that there ought to be a provision in his substitute requiring the lessee to maintain the property.

Mr. UNDERWOOD. There is already in it a provision for maintenance.

Mr. McKELLAR. There is a provision for maintenance, but none for replacement, and it might cost the Government a great deal more than the amount of the rentals to replace the property, in addition to the maintenance. I have an amend-

ment which I hope the Senator will accept, which provides for replacement as well as maintenance.

Mr. UNDERWOOD. If the Senator from Tennessee will pardon me, I want to answer him later on replacement, but I do not want to be impolite to my friend from Wyoming, and I desire to answer him first.

Mr. KENDRICK. I agree with the Senator from Alabama that it is perhaps sufficient to require that the property be maintained, because if there is not some such provision in the bill it would be neglected in a most shameless manner or could be so neglected.

Mr. UNDERWOOD. My amendment provides for maintenance, but it does not provide for replacement, and I will tell the Senator why. I do not provide in the amendment that any particular method shall be used in the production of nitrogen. Of course, if the lessee takes the plant for 50 years, it is a foregone conclusion that before the 50 years shall have ended he will have to rebuild the plant, because it will wear out before that time. He may have to replace it more than once. When it is provided in the measure that the lessee has got to make 40,000 tons of nitrogen and a commensurate amount of fertilizer he will have to replace the plant or he can not make it. I put the burden of replacement on the lessee. Of course, so far as the present plants are concerned, maintenance will keep them in proper condition.

Mr. McKELLAR. Then, if the Senator thinks that the lessee has got to replace the plant, why not put it in the bill that he has got to replace it? I am like the Senator from Nebraska [Mr. NORRIS] in one respect; I like to have things specific, so that they can not possibly be misunderstood. I agree with the Senator from Alabama that unquestionably the existing machinery will have to be replaced. I have no doubt that the steam plant will have to be replaced, and perhaps replaced twice between now and the end of the 50 years. Then, if it is proposed that the company or the lessee shall replace it, let us so provide in the bill, in order that there may not be any doubt about it and that the lessee will not be coming to Congress to get money with which to replace it.

Mr. UNDERWOOD. I will say to the Senator that of course he must bear in mind what a great many gentlemen who have casually read the bill do not seem to understand; that is, that I propose to authorize the Secretary of War, with the approval of the President, to make the lease. If I provided nothing more than that, there would be no question that that would be the lease. All I am attempting to do is the authority which is given to the Secretary of War, with the approval of the President, is to fix certain conditions which must go into the lease. A may want to make one kind of a lease; B may want to make another kind of a lease; and I prefer to leave it to the discretion of the Secretary of War, provided that the lease calls for the production of 40,000 tons of nitrogen and a commensurate amount of fertilizer. I think we are more apt to get a lease if we leave a large discretion, outside of the cardinal points which we desire to attain, to the Secretary of War.

Mr. McKELLAR. Let us see about the lease and just what we propose. Only on yesterday there was an amendment offered by the Senator from Georgia [Mr. HARRIS] providing that the lease should not be transferred.

Mr. UNDERWOOD. Mr. President, the Senator from Nebraska [Mr. NORRIS] desires to leave the Chamber for a moment, and the request I desire to make will not take long, if the Senator from Tennessee will excuse me for a moment. The Senator from Nebraska desires to know what is going to be the disposition of two amendments. I do not think the amendments are material to the purpose I have in mind or to the bill, but I do not care to have any controversy about the matter. He suggested the amendments for the reasons he has stated. The Senator from Nebraska proposes first, on page 3, line 22, to strike out the words:

As far as it is practicable to do so.

I ask unanimous consent that those words may be stricken out.

The PRESIDING OFFICER. The Senator from Alabama asks unanimous consent that on page 3, line 22, the words "as far as it is practicable to do so" may be stricken out. Is there objection? The Chair hears none, and it is so ordered.

Mr. UNDERWOOD. Now, Mr. President, the Senator from Nebraska states that he has doubt about the insertion on page 4, line 1, of the words "according to demand." I do not think they help the bill any by being there, and it is immaterial to me whether they shall remain. I therefore ask unanimous consent that those words may also be stricken out.

The PRESIDING OFFICER. The Senator from Alabama asks unanimous consent that on page 4, line 1, the words "according to demand" be stricken out. Is there objection? The Chair hears none, and it is so ordered.

Mr. UNDERWOOD. Now, Mr. President—

Mr. NORRIS. Mr. President, before the Senator proceeds I desire to withdraw the motion which I have pending to strike out.

Mr. UNDERWOOD. The reason I asked unanimous consent that the words be stricken out was that I did not want to agree to that being done if any Senator objected to it without a vote. Now, there can be no question in any Senator's mind that if the lease be made the lessee must contract for the production of 40,000 tons of nitrogen and a commensurate amount of fertilizer, whether he makes a profit or whether he loses money.

Mr. McKELLAR. I think the bill has been very greatly improved in that regard, I will say to the Senator, but I wish to ask him a question about this proposed lease. The Senator has stated that the provisions of the lease should be left to the Secretary of War.

Mr. UNDERWOOD. I stated that some of those provisions should be left to him.

Mr. McKELLAR. Yes; that some of those provisions should be left to the Secretary of War. Just a day or two ago an amendment was offered by the Senator from Georgia [Mr. HARRIS] providing that before the lease should be assigned it should be submitted to the Secretary of War. I suppose there is hardly one Senator in this body who has not real estate which he leases out, and I presume there is no Senator in this body who would think of leasing his property to another person without having a provision in the lease that before the lease should be assigned the question of such assignment should be submitted either to him or to his agent for approval. Yet this body has gone on record as voting down a simple amendment, offered by the Senator from Georgia, which provided that before this lease should be assigned such assignment of the lease should have the approval of the Secretary of War or the President. I can not remember the exact wording of the amendment, but that was the substance of it.

It seems to me that some person or some concern might lease this property and, not being satisfied with the outcome, might turn it over to some wholly irresponsible company, and the Government would be powerless. I think it would be a great mistake to lodge in the Secretary of War the power to make the lease without instructions from Congress.

Mr. UNDERWOOD. Mr. President, of course the question to which the Senator from Tennessee has just referred was determined by the Senate on yesterday.

Mr. McKELLAR. I know that, but it may be reconsidered and ought again to be submitted to the Senate before the bill shall be passed.

Mr. UNDERWOOD. If it is brought up for redetermination I shall be glad to have it discussed then, but I do not agree with the Senator about the proposition, and I should like to finish my statement with regard to the matter which was brought up by the Senator from Nebraska [Mr. NORRIS].

Mr. HARRIS rose.

Mr. UNDERWOOD. I yield to the Senator from Georgia if he desires to interrupt me.

Mr. HARRIS. If the Senator from Alabama will be kind enough to allow me, I desire to say that when the bill comes into the Senate I shall again offer the same amendment.

Mr. UNDERWOOD. Mr. President, it may be asked, Why should we be so anxious to compel the production of 40,000 tons of nitrogen? The answer is that it is our only means of national defense so far as nitrogen is concerned. I wish to put in the RECORD some data which I have gathered very carefully in reference to the production of nitrogen in this country outside of the plant at Muscle Shoals, and I will take this occasion to do it.

The only real production in this country of nitrogen in any quantities outside of what may be produced by this plant comes from the by-products of coke; the balance comes from Chilean nitrates. In regard to this by-product, when coke is made from coal in a by-product coke oven, nitrogen gas is found in the gas which escapes from the oven. This nitrogen exists in combination with hydrogen gas, forming ammonia gas, which is the form in which it escapes from the oven. This ammonia gas is separated from the remainder of the coke-oven gases and is passed into sulphuric acid (a liquid); the reaction between the liquid sulphuric acid and the ammonia gas results in the formation of solid crystals, which are separated out and dried. The crystals are called ammonium sulphate (or sulphate

of ammonia). They contain about 25 per cent ammonia or a little less than 21 per cent of pure nitrogen.

In 1923 the American Fertilizer Hand Book reported a domestic production of sulphate of ammonia of 619,000 tons, but this includes other ammonia products which would have been sufficient to have made this amount of sulphate if they had been converted into sulphate, but they were not so converted. The United States Geological Survey also made an estimate of the sulphate of ammonia production which came from by-product coke ovens and they found that the amount actually produced as sulphate of ammonia was about 458,000 tons.

This amount of sulphate would contain about 95,300 tons of pure nitrogen.

Since the capacity of nitrate plant No. 2 is 40,000 tons of pure nitrogen—fixed in commercial form so as it can be used—this 40,000 tons represent about 42 per cent of the 95,300 tons of pure nitrogen that was fixed by the by-product coke ovens in the form of sulphate of ammonia.

Looked at in another way this 40,000 tons of pure nitrogen, if it had been fixed in the form of sulphate of ammonia, would have produced about 192,000 tons of sulphate of ammonia, and 192,000 tons is about 42 per cent of the actual production of 458,000 tons of sulphate of ammonia produced by the by-product coke ovens in 1923.

Commercial sulphate of ammonia in addition to carrying about 20.8 per cent of pure nitrogen also contains sulphuric acid and hydrogen, sulphur, and oxygen in chemical combination, in addition to which there is always a certain percentage of water. These chemicals are not commercial plant foods but instead are detrimental to the soil when applied year after year, as they cause the soil to become acid.

Sulphate of ammonia can not be regarded as one of the desirable highly concentrated fertilizer materials that the farmers wish to secure.

Mr. HOWELL. Mr. President—

Mr. UNDERWOOD. I will yield to the Senator in a moment. As I have said, a larger portion of this by-product ammonia is used in refrigeration and to conserve the food supply of America. In time of war it can not be recalled from refrigeration purposes, nor can it be recalled from refrigeration purposes in order to supply the farmer with fertilizer. So practically the larger proportion of this production of nitrogen is consecrated to the food supply of the Nation, and we come back then practically to the proposition of basing our national defense either on the nitrogen we haul here from Chile or on our successful operation of this plant. As I said the other day, I am willing to vote to operate it at a loss, as I vote to operate a battleship at a loss, rather than lack national defense in the hour of trouble.

I now yield to the Senator from Nebraska.

Mr. HOWELL. Mr. President, is it not a fact that last year 160,000 tons of the sulphate of ammonia that was produced by by-product coke ovens was exported?

Mr. UNDERWOOD. No. There was an export of sulphate of ammonia. As to whether that sulphate of ammonia came from by-product sources or whether it was the product of the chemical industry and produced from Chilean nitrate I am not informed. It does not make any difference, though. It happened for that year that there was an overproduction of sulphate of ammonia that the farmers would not consume, and somebody shipped it out; but there was no indication in any record I have ever found that it was by-product ammonia. Some people have claimed that that was the case. I have seen the matter used in arguments, but I have never seen it attributed to that source, because by far the larger proportion of by-product ammonia goes to refrigeration, and it certainly is cheaper than Chilean saltpeter, because it is just as cheap as it has to be. It is a by-product, and the maker of it is going to sell it on the market for whatever the market is.

Mr. HOWELL. But the fact is that by-product coke ovens are increasing in number.

Mr. UNDERWOOD. No; I do not think so.

Mr. HOWELL. As a matter of fact they will continue to increase in number, because the gas plants that are using water gas in this country will be compelled ultimately to come to the production of gas with coke as a by-product, and that will mean the production of sulphate of ammonia. The export of sulphate of ammonia has been increasing from year to year. For the first eight months of this year it was about 100,000 tons. In other words, last year we exported 32,000 tons of fixed ammonia, because there was no market for it in this country in the form of sulphate of ammonia.

Mr. UNDERWOOD. It went over the Canadian border probably at a more successful venture, but it did not go to

Europe or any real foreign market. The Senator overlooks the fact that when you come down to making gas, gas originally was made from coke. Water gas was a later invention. There is a small increase in the gas supply; but practically every city of five or ten thousand people to-day has a gas supply already, and it is only the gradual growth of the inhabitants that will build up the supply of coke from gas, even if they should go back to the old method.

So far as the production of by-product coke is concerned, it is limited by the production of pig metal. There is no necessity for by-product coke if you are not going to make pig iron. Our maximum production in the war was 41,000,000 tons. I know what I am talking about in this matter, because it is nearer my business than any other business I have except attempting to be a Senator of the United States. There is a fairly good normal industrial market for pig to-day. It amounts to about 2,000,000 tons a month, or 24,000,000 tons a year. These old furnaces that came in during the war will never convert themselves into by-product coke ovens. There will be some increase, but a very little. Senators may try to fool themselves, but there is no question that if the line of communication between this country and Chile is ever severed, and we are not prepared to make nitrogen out of the air, we will surrender our flag in disgrace to the enemy. There is no question about that, and that is why I am willing to compel the lessee to manufacture. Of course, the lessee is not going to make the contract unless he thinks he can manufacture at a profit.

The Senator from Nebraska sings day in and day out that you can not profitably work one of these cyanamide plants, and yet there is a cyanamide plant of a similar nature in Canada. Its product is brought to New Jersey; it is there manufactured largely into commercial fertilizer and other products and sold at a profit, and the company operating there is paying dividends on its stock. I did not get that information second hand. I got it within the last two weeks from the president of the company operating the plant, and the same company built plant No. 2 at Muscle Shoals. So to say that we can not operate the plant at a profit is simply barring what is being done. If, however, we can not operate it at a profit for the purposes of national defense, I am prepared to operate it anyhow, and it would not cost any more than the operation of a battleship; and I think it is absurd to go on building a great Navy and maintaining an Army and then hesitate to supply sufficient nitrogen to give us a powder supply to fire our guns in time of war.

Mr. President, the amendment that brought on this discussion has already been attended to. I have a suggestion from the Chief of Engineers in regard to this bill. I have had some other suggestions coming from that quarter; and I wish to offer two amendments in regard to section 8, page 15, to comply with his suggestion. It is in reference to the completion of this work. He suggests that after the figure "3," on line 19, page 15, there should be added the words "and the necessary approaches to the locks in Dam No. 2." I offer that amendment.

Mr. McNARY. Mr. President, the chairman of the committee, who is most familiar with the provisions of the Norris bill and who also has made a thorough study of the bill of the Senator from Alabama, is temporarily absent from the Chamber. For that reason I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Bayard	George	McLean	Robinson
Borah	Gerry	McNary	Sheppard
Brookhart	Hale	Mayfield	Shipstead
Broussard	Harrell	Means	Shortridge
Bruce	Harris	Metcalf	Simmons
Butler	Harrison	Moses	Smith
Capper	Heflin	Neely	Smoot
Caraway	Howell	Norris	Spencer
Copeland	Johnson, Minn.	Oddie	Stanfield
Curtis	Jones, N. Mex.	Overman	Stanley
Dial	Jones, Wash.	Owen	Sterling
Dill	Kendrick	Pepper	Trammell
Edwards	Keyes	Phipps	Underwood
Fernald	King	Pittman	Wadsworth
Ferris	Ladd	Ralston	Walsh, Mass.
Fess	McCormick	Ransdell	Willis
Fletcher	McKellar	Reed, Mo.	
Frazier	McKinley	Reed, Pa.	

The PRESIDING OFFICER (Mr. COPELAND in the chair). Seventy Senators have answered to the roll call. A quorum is present.

Mr. UNDERWOOD. Mr. President, as I stated before the roll was called, and as I will state again, because Senators have come into the Chamber since I made the statement, this morning I received a suggestion from the Chief of Engineers in reference to the language in section 8, page 15, line 19. He

suggests that the words "and the necessary approaches to Dam No. 2" be added after the numeral 3 in line 19.

Those familiar with the project know that Dam No. 2 does not reach down to the river. It takes a lift of a great number of feet, and the Secretary of War says that he can complete this work with a very much smaller expenditure if he is authorized to go ahead with it now, when he has the machinery and the men on the ground. Therefore, he desires this authorization, at the same time that we are making the authorization for Dam No. 3, as provided in the substitute. So I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. UNDERWOOD. The Chief of Engineers also makes a further suggestion, at the end of the same paragraph, line 25, page 15, to add the words:

Provided further, That the funds for the prosecution of this work may be allotted from appropriations heretofore or hereafter made by Congress for the improvement, preservation, and maintenance of rivers and harbors.

I move the adoption of that amendment to the amendment.

Mr. WADSWORTH. May it be reported again?

The PRESIDING OFFICER. The Secretary will report the amendment to the amendment.

The READING CLERK. On page 15, line 25, after the word "navigation" and before the period, insert a colon and the following proviso:

Provided further, That the funds for the prosecution of this work may be allotted from appropriations heretofore or hereafter made by Congress for the improvement, preservation, and maintenance of rivers and harbors.

Mr. WADSWORTH. May I ask the Senator from Alabama whether the fund referred to in the amendment contemplates the fund for work at Muscle Shoals other than on the river?

Mr. UNDERWOOD. No; it means the prosecution of the work on the dam, and I will tell the Senator what the purpose of the suggestion is, as I understand it: If a river and harbor bill goes through providing for a particular project, it will provide for this additional work. If it goes through with a blanket appropriation, then there could be no allotment to this proposed work without this language in the law.

Mr. WADSWORTH. Would it not be well for the Congress to know in advance how much money was to be spent on Muscle Shoals out of a river and harbor appropriation?

Mr. UNDERWOOD. Yes; I think it would.

Mr. WADSWORTH. We would have no means of knowing if it were left to the board of engineers.

Mr. UNDERWOOD. As I understand the secondary work at Dam No. 1, we may call it—it is the approach to Dam No. 3—would cost \$1,600,000 if the engineer is allowed to go ahead with it and do it now. If he dismisses his force, he says it would probably cost him \$600,000 more.

Mr. WADSWORTH. There will be passed at this session of Congress a War Department appropriation bill. Contained in that bill will be the old river and harbor bill, appropriating a lump sum for construction and maintenance of approved projects. Instead of putting this provision in this proposed statute and making it permanent law, would it not be wiser, from the standpoint of the Congress itself, to amend the War Department appropriation bill in its river and harbor item, and provide in effect something like this: That not more or not less than a certain sum of this river and harbor appropriation may be expended for this Muscle Shoals work?

Mr. UNDERWOOD. In a blanket appropriation, of course, as the Senator knows, that is never done. It is left to the discretion of the Chief of Engineers as to how he will expend it. Of course, if it is not a blanket appropriation, then each item is designated. The only purpose of the suggestion is, as I understand it, that this work has to be done—

Mr. WADSWORTH. Oh, yes.

Mr. UNDERWOOD. There is no question about that.

Mr. WADSWORTH. I am not contending against the work being done.

Mr. UNDERWOOD. It has to be finished. Dam No. 2, as far as the dam itself is concerned, will be finished on the 1st day of July, approximately.

Mr. WADSWORTH. I understand that.

Mr. UNDERWOOD. The Chief of Engineers has his workmen, his machinery, and his tools right there. This approach is within a mile of the foot of the dam; it may be less. If he can convert that machinery and those men without moving them or dismissing them, right over to the other place, he says he

can complete the work \$600,000 cheaper than if he dismisses them and has to reorganize his force.

Mr. WADSWORTH. I understand that; but my proposal would not interfere with that scheme at all. My proposal is that the appropriations to be made in the future for the completion of the works at Muscle Shoals shall be made in the way they have been made in the past, in the War Department appropriation bill, with an item setting forth the purpose and the amount, so that in each instance, year after year, the Congress will know exactly how much is to be spent on Muscle Shoals. This will only be the first year when appropriations will be asked; they will be asked for many years to come. If this provision is inserted in the permanent statute respecting the entire disposition and management of Muscle Shoals, as I read it, then no Congress of the future will ever have submitted before it in legislative form an appropriation item for Muscle Shoals. It will be included in a lump-sum item for rivers and harbors work, in which, to my judgment, it does not properly belong.

Mr. UNDERWOOD. I will say to the Senator that that would not apply to Muscle Shoals generally, if the Senator means the work of carrying on the operation of the plant. It merely applies to finishing the construction.

Mr. WADSWORTH. I understand, but I can not understand why any different method for the future is now requested. The plan we have followed has worked perfectly in the past. We have carried this item of \$10,000,000 a year for the last three years, if I am correct; and the Senator from Nebraska can correct me if I am wrong. We have known just what we were doing. We have never hesitated to do the right thing, and I see no reason for changing the policy of legislating in the matter of appropriations for the project.

Mr. UNDERWOOD. This proposition was not initiated by me. It comes from the Government. I approve the suggestion of the Government or I would not have offered it. The purpose of the suggestion is this: That if there should be a failure of a river and harbor bill this year, which I hope there will not be, then out of the funds on hand the Chief of Engineers can finish these approaches, and he says \$600,000 cheaper than he can if this language is not in the law. Of course, if a river and harbor bill shall be passed between now and the 4th of March, I have no doubt, as the Senator suggests, that the matter will be taken care of. I would come to the Senator and ask him to have it taken care of.

Mr. WADSWORTH. As far as I am concerned, I would vote for it right away; but I would like to maintain a situation in which the Congress each year would know just what it was being asked to appropriate for the continuance of this project.

Mr. UNDERWOOD. I hope the Senator will let this go through, because I think it will save money in the happening of a contingency. I am not going to press it if the Senators here think it ought not to be pressed, because I realize that it should be considered otherwise; but here is a vast number of men and the machinery for making concrete. They are all in place, practically adjacent to this work, and if the river and harbor bill goes through, very well. Of course, Congress is going to make this appropriation. It has to finish this job. I understand it will probably cost \$1,600,000 if finished now, and \$600,000 more if the force is dismantled.

Mr. JONES of Washington. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Washington?

Mr. UNDERWOOD. I yield.

Mr. JONES of Washington. I take it that this is an approved project.

Mr. UNDERWOOD. Oh, yes.

Mr. JONES of Washington. There is no doubt but that an appropriation will be made to carry on approved projects. That will come in the military appropriation bill. I understand the Budget has sent down an estimate of about fifty-odd million dollars. There will no doubt be some definite sum appropriated in the military appropriation bill. There is another bill, which may be termed a river and harbor bill, providing for the approval of new projects, but there is no doubt in my mind that an appropriation of some sum will be made to carry on existing projects. So I agree with the Senator from New York. I think this should be left out of the pending measure.

Mr. UNDERWOOD. As I said, the suggestion is not mine.

Mr. JONES of Washington. I appreciate that.

Mr. UNDERWOOD. It came to me from the Government, and if there is objection I will not press it. I withdraw the amendment to the amendment for the present.

Mr. NORRIS. Mr. President, I hope the Senator will permit the amendment to the amendment to remain before the Senate. I am not pressing for a vote on it, but we will not get through with the amendments to-day, and let Senators who think it should not be agreed to think about it until tomorrow. In the meantime, I would like to say to them that I understand that what the Senator from Alabama has offered is a proposition which in effect provides for the building of Dam No. 1.

Mr. UNDERWOOD. Yes.

Mr. NORRIS. Many Senators perhaps do not understand about the difference between these various dams, so that it might be well to make that matter plain. We have all been referring in this debate to Dam No. 2, which is now about completed, and Dam No. 3, which is included in both the substitute and the committee bill, and nothing much has been said about Dam No. 1. Many Senators have privately said, What is Dam No. 1? Dam No. 1 is a few miles below Dam No. 2. It is entirely and solely a navigation proposition. It cost about a million five hundred thousand dollars, as I understand it, and it is just below Dam No. 2.

Dam No. 2, to be finished on the 1st of July, will make the Tennessee River navigable clear up to Dam No. 3, with the exception of the shoals still found a few miles below Dam No. 2, where they propose to build this Dam No. 1, so that we will not be able as a matter of commerce to utilize the stream as a navigable stream above Dam No. 2, or any other dam above that, until we have built Dam No. 1. It has nothing to do with power. It is a very little thing. It is a dam to be constructed across the river right where the railroad bridge and the wagon bridge south of Florence cross the Tennessee River. It has only one lock in it. There are some shoals there, and it is for the purpose of making the Tennessee River navigable, and it would be perfectly useless to think of having navigation farther up the river unless we complete that dam.

It ought to be authorized, if it has not been authorized. If it is not an approved project, it ought to go into any bill that passes the Senate, it seems to me, because the Secretary of War has this force there. True, he could take them up to Dam No. 3, the bill providing for the construction of Dam No. 3. He could move them up and do that first, but he would be 10 or 12 miles farther from Dam No. 1 than he is now with his force, and while he has his men and machinery and material there it would be a matter of economy to build Dam No. 1, because the Tennessee River can never be navigable and we will never get the benefit of these two big dams we have provided for, in a navigation sense, unless we construct Dam No. 1.

Mr. FESS. Mr. President, I notice the language of the amendment is "from funds allotted heretofore or hereafter."

Mr. NORRIS. I think we have similar language in the committee bill.

Mr. FESS. Has not all the appropriation heretofore allotted been accounted for?

Mr. NORRIS. I do not know. I can not say whether it all has been accounted for or not.

Mr. UNDERWOOD. I myself do not know, but it is undoubtedly the correct language, because it was sent here from the office of the Chief of Engineers.

Mr. NORRIS. The Committee on Agriculture and Forestry put somewhat similar language in the committee bill. I do not know whether it is exactly the same, because I have not compared them, but whatever bill passes ought to have that language in it. It is all right to put it in the substitute, because if that is passed it ought to go in.

Mr. FESS. As I recall, we always have difficulty with our appropriations for rivers and harbors. A river and harbor bill is one of the hardest-fought pieces of legislation.

Mr. NORRIS. We used to have.

Mr. FESS. We do yet.

Mr. NORRIS. Do we?

Mr. FESS. Yes; we do. What I can not understand is why the appropriation already made has not been allotted, and how we are going to use any of it for this work without taking it from a fund that is already applied to something else.

Mr. NORRIS. We can not do that, as I understand it. If the fund is already applied to something else, we can not allot it to this use. The thing ought to be settled and ought to be in legislation in some form at some time. I sympathize with what the Senator from New York said.

Mr. PITTMAN. Mr. President—

Mr. NORRIS. I yield to the Senator from Nevada.

Mr. PITTMAN. I simply want to ask the Senator if the prime purpose of all this work is to improve navigation?

Mr. NORRIS. Yes.

Mr. PITTMAN. It is really the excuse for all this work?

Mr. NORRIS. For the other work?

Mr. PITTMAN. Yes.

Mr. NORRIS. It may be the legal peg on which it is hung, but I do not think it is the excuse or the purpose. Navigation is one of the things involved in it.

Mr. PITTMAN. I was only thinking of the constitutional right of Congress to appropriate money.

Mr. NORRIS. It may be it is the only constitutional peg upon which we could hang the appropriation, but at least Dam No. 1 is purely a navigation proposition.

Mr. PITTMAN. Therefore I think it is absolutely necessary to have in the bill a provision for Dam No. 1.

Mr. NORRIS. I think so. We ought not to delay providing for Dam No. 1, because, so far as navigation is concerned, we can not utilize the water above No. 2 and No. 3 unless No. 1 is built. The point made is that while the Secretary of War has his force and his machinery, his cars, and his engines, power facilities and everything else there, he ought to do it now as a matter of economy.

Mr. JONES of Washington. Mr. President, what the Senator from Nebraska has said makes me feel more strongly that the item should not go in the pending bill, but should be in the general river and harbor appropriations, for it is clearly a river and harbor improvement. We appropriate definitely for river and harbor improvements a certain amount of money carried in the appropriation for the War Department for projects that have been approved. There is no reason in the world why the engineers of the War Department can not use part of the money for this purpose if it is desirable. I have no doubt that the War Department appropriation bill will become a law before the Muscle Shoals bill becomes a law and the money there appropriated will be available if the engineers think it ought to be used for the purpose.

It is not uncommon for some of the bureaus and departments of the Government to use different measures for accomplishing certain purposes they may desire. We have known in the past of instances where some branch of the Government came down to Congress to secure an appropriation and not getting it in one bill where it ought to go went to some other committee where another bill was being considered and got the item in that bill. The river and harbor appropriations are carried in a certain way and in a certain bill, and this being clearly a river and harbor item, I think it should be dealt with just the same as any other river and harbor item.

I appreciate the economy that would probably be served by having money available so as not to have to take away the workmen and machinery, and yet that same argument might apply to a great many projects throughout the country, where they do not have enough money to complete them. But there is no reason why the proposition can not be taken care of if it is necessary, because there is no doubt that we will appropriate a lump sum of money for carrying on river and harbor projects that have been approved and that bill will become a law before the 4th of March. There will be no limitation upon the use of the money by the engineers of the department, except that it shall be used upon approved projects, and if this project is so desirable, as I have no doubt it is, there is no question that part of that money can be used for the purpose.

Mr. UNDERWOOD. Mr. President, I want to have it understood that the last amendment to the amendment which I offered is withdrawn.

The PRESIDENT pro tempore. The amendment offered by the Senator from Alabama to the amendment in the nature of a substitute submitted by him has been withdrawn.

Mr. McKELLAR. Mr. President, I desire to call the attention of the Senate at this time to the proposal—

Mr. HARRISON. If there is nothing pending, will the Senator from Tennessee allow me to offer some amendments and he can then talk to the amendments?

Mr. McKELLAR. Very well.

Mr. HARRISON. I offer the amendments to the pending amendment which I send to the desk.

Mr. McKELLAR. I want to call the attention of Senators at this time to a proposal made on January 15, 1924—

Mr. NORRIS. Will the Senator permit the amendments to be read?

Mr. McKELLAR. An amendment to the amendment has been submitted by the Senator from Mississippi.

Mr. NORRIS. I know it, and I would like to hear it read. I have not heard it. May we have the amendment reported that has been offered by the Senator from Mississippi?

The PRESIDENT pro tempore. The clerk will report the amendments offered by the Senator from Mississippi to the amendment.

The principal legislative clerk proceeded to read Mr. HARRISON's amendments to the amendment, which were:

On page 2 strike out lines 3 to 5, inclusive, and insert in lieu thereof "also Dams Nos. 2 and 3, located in the Tennessee River at Muscle Shoals, power plants, auxiliary steam plants, all hydroelectric and operating appurtenances."

On page 4, after line 14, transpose section 8 of the substitute.

On page 4, line 20, strike out "being," and insert in lieu thereof "shall be."

On page 4 strike out line 25, and through the period in line 6 on page 5, and insert in lieu thereof "The lessee shall pay as the annual rental for use of such properties an amount not less than 4 per cent of the total amount expended by the United States in acquisition, construction, and completion of Dams Nos. 2 and 3, and the purchase and emplacement of all machinery, gates, or other metal parts or material used in the construction of locks, dams, and power houses."

On page 5, line 10, strike out "said Dam No. 2 and" and insert in lieu thereof "Dams Nos. 2 and 3 and for."

On page 5, line 14, strike out "Dam No. 2" and insert in lieu thereof "as soon as practicable Dams Nos. 2 and 3."

On page 5, line 17, after "into," strike out through "lease," in line 18, and insert "and such property is turned over to the lessee in accordance with the terms of the lease, the lessee shall maintain such property."

On page 9, line 7, strike out "Dam No. 2" and insert in lieu thereof "Dams Nos. 2 and 3."

On page 9, line 8, strike out "plant" and insert in lieu thereof "plants."

On page 12, line 10, strike out all after the period through the period in line 14.

Before the reading was concluded,

Mr. McKELLAR. I am afraid the Senator from Nebraska is not listening to the reading of the amendment.

The PRESIDENT pro tempore. Will the Senator from Tennessee suspend for a moment until the reading of the amendments is completed?

Mr. McKELLAR. I am calling attention to the fact that the Senator from Nebraska wanted to have them read and is not listening.

Mr. NORRIS. I wanted to have them read because I wanted to find out what they were. When the clerk started to read it did not mean much, but I found out what they were by consultation, so I do not care whether the balance of the amendments are read. I know what they are.

Mr. McKELLAR. I ask unanimous consent that the further reading be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. McKELLAR. Mr. President, I want to call the attention of Senators to an offer made for the property by the Alabama Power Co. and others on January 15, 1924, that is so far superior to the offer proposed in the bill or that is to be found in the bill that there is no real comparison. The amount of rental offered and the conditions proposed are all so much more favorable to the Government that I think Senators ought to bear in mind in considering the bill this offer of the Alabama Power Co. and others. I am going to read it for the information of Senators. I want them to hear it, because it is a much better proposal than is incorporated in the bill.

Mr. NORRIS. In which bill?

Mr. McKELLAR. In the bill of the Senator from Alabama. I want it understood that I am not urging the acceptance of this offer. My purpose in reading it is to show that the offer of the Alabama Power Co., made last January for this property, when there was a competitor making an offer that was being seriously considered, was infinitely better for the American people, both as to the manufacture of fertilizer and in every other respect, than the offer which is proposed in the bill to lease the property. I read:

The SECRETARY OF WAR:

The undersigned submit the following proposal in connection with the Muscle Shoals projects of the Government:

1. For the purpose of carrying out this proposal, the undersigned, together with other companies engaged in serving the public with lighting and power in the Southeastern States, will form a corporation herein called the "power company," which will make all contracts necessary to carry out this proposal, and will provide \$10,000,000 of capital therefor, or such portion of that amount as upon the acceptance of this proposal may be determined to be necessary.

2. Upon the completion of Dam No. 2 and its power house, the power company will lease the same for a term of 50 years, under the terms of the Federal water power act—

All of which have been excluded by voting down amendments to the bill—

and will lease the Government steam plant at Sheffield, Ala., for a term of 20 years, and will agree to pay an annual rental therefor to the United States of \$2,000,000. This is interest at 4 per cent on \$50,000,000, which includes the \$45,500,000 of estimated expenditures on the hydroelectric project to the time of its completion with eight generating units of 240,000 horsepower total capacity and \$4,500,000 representing the value of the Government's steam plant at Muscle Shoals. Said sum of \$50,000,000 also includes the \$17,000,000 expended on the project during and just after the war. After the expiration of the lease on the steam plant, or if the steam plant should be sold to the power company as hereinafter provided, such annual rental shall be reduced by 4 per cent on \$4,500,000.

The lease with respect to the project at Dam No. 2 will include the hydroelectric and operating equipment and spillway gates, together with such lands and buildings owned or to be acquired by the United States in connection with the power project as may be desired by the power company, but will exclude the locks and other navigation facilities.

If they are excluded in the pending bill, they are excluded by implication because the bill carries the locks and navigation facilities as well.

The lease will begin from the date when hydroelectric structures and equipment (including the necessary high-tension substations) of the capacity of 100,000 horsepower are installed and made ready for service, additional equipment of approximately 140,000 horsepower to be installed by the United States and made ready for service by January 1, 1926. Work on the high-tension substation shall be commenced by the power company at its own expense as soon as this offer is accepted.

Such annual rental will be payable at the end of each calendar year, except that for the first years of the lease period the rental shall be as follows: Three hundred thousand dollars at the end of the calendar year during which 100,000 hydroelectric horsepower is installed and made ready for service, or the proportionate part thereof if such 100,000 horsepower is not made ready for service the whole of the first calendar year; and thereafter \$300,000 annually at the end of each year for six years; for the next four years \$1,500,000 annually, increasing in the following year to the maximum rental.

The power company will, if desired by the United States, install at its own expense additional units beyond the eight units now provided for to meet the market demands for power.

There is nothing like that in the pending bill.

If not installed by the power company, such additional units will be installed by the United States to meet market demands for power, and the annual rental will then be increased by 4 per cent on the cost of such additional units.

I ask Senators to listen to this. I especially ask the junior Senator from Nebraska [Mr. HOWELL], who has already referred to the matter, to see what the Alabama Power Co. proposes under section 3 of its offer.

3. The power company will, at its own expense, throughout the lease period, operate and make all necessary renewals and repairs incident to efficient maintenance of the spillway gates, the power house, and substructures, superstructures, machinery, and appliances appurtenant to the power house, and will maintain the same in efficient operating condition, all in accordance with the Federal water power act, it being understood that all necessary repairs and maintenances of Dam No. 2 and the locks shall be under the direction, care, and responsibility of the United States and at its expense during the said 50-year lease period.

How different from the proposal of the pending bill!

4. At all times during the period of the lease the power company will furnish to the United States, free of charge, the necessary power to operate the locks and other navigation facilities at Dam No. 2.

How different that is from the pending proposition, which perhaps will convey under its terms the locks and their facilities; while this proposal of the Alabama Power Co., made less than a year ago, provides that the company will, at its own expense, furnish the power to operate the locks and other navigation facilities.

5. The lease of the steam plant shall provide for successive renewals—

That is just what we were talking about to-day—

at the same rent at the option of the power company, each for 10 years, but to expire in any event upon the expiration of the lease of

No. 2 project, and it shall require the power company to make all renewals and replacements necessary to maintain the plant in good operating condition and for the insurance of the plant—

There is not a word about that in the pending proposal—

up to its full insurable value. The power company shall have the right to install additional units and other equipment therein which the United States may recapture in accordance with the provisions of the Federal water power act.

6. The power company will begin the construction of Dam No. 3, its locks and power house, whenever requested by the United States after the completion of Dam No. 2 and will construct same at the expense of the United States and without profit to the power company, in the shortest possible time consistent with good workmanship and economy, in accordance with plans and specifications prepared by the power company and approved as provided by the Federal water power act. The power company will, for this purpose, be permitted to make use of the construction plant at Dam No. 2. The power house will have a total installation of 250,000 horsepower with equipment which includes the high-tension substation.

7. In case the United States so proceeds with such construction, the power company will lease from the United States under the terms of the Federal water power act for a period of 50 years the power house at Dam No. 3 and all of its hydroelectric and operating appurtenances, spillway gates, and high-tension substation, together with such lands and buildings owned or to be acquired by the United States in connection with the project as may be desired by the power company, but excluding the locks and other navigation facilities.

And they are not excluded in the pending bill.

Such lease shall begin from the date when structures and equipment of a capacity of 80,000 horsepower are installed and made ready for delivery of power to the power company, and the power company will pay to the United States as annual rental therefor 4 per cent of the actual cost up to a rental of \$1,200,000 per annum, payable annually at the end of each lease year, except that for the first years of the lease period the rentals shall be as follows: Two hundred thousand dollars at the end of the calendar year during which 80,000 horsepower is installed and made ready for service or the proportion thereof, if such 80,000 horsepower is not made ready for service the whole of the first calendar year; and \$200,000 annually at the end of each year for three years, increasing with the following year to the maximum rental. The Alabama Power Co., being the owner of the site of Dam No. 3 and of certain flowage lands acquired in connection with the project, agrees to donate the same to the United States—

The company, as the owner of the site of Dam No. 3, agrees to donate it free of charge to the United States—

in the event the project is constructed under this proposal for and at the expense of the United States. The power company will, if desired by the United States, install at its own expense all generating units when required to meet market demands for power.

8. If the United States so proceeds with such construction, the power company will, at its own expense throughout the lease period, operate and make all necessary renewals and repairs incident to efficient maintenance of the spillway gates, high-tension substation, the power house and substructures, superstructures, machinery, and appliances appurtenant to the power house, and will maintain the same in efficient operating condition, all in accordance with the Federal water power act, it being understood that all necessary repairs, maintenance, and operation of Dam No. 3 and the locks shall be under the direction, care, and responsibility of the United States and at its expense during the said 50-year lease period. If Dam No. 3 is constructed and operated under license from the Federal Power Commission as hereinafter provided, the provision of said act relating to repairs and maintenance and operation shall apply.

9. If the United States does not proceed with such construction on the plan proposed, then the power company may at any time build and operate said dam under the terms of the Federal water power act and shall be granted a license therefor on application, one-third of the cost of the project to be borne by the United States as the value of the navigation improvements in the Muscle Shoals section of the river.

And I call especial attention to these paragraphs:

10. At all times during the period of the lease the power company will furnish to the United States, free of charge, the necessary power to operate the locks and other navigation facilities at Dam No. 3.

11. The power company also agrees to purchase from the United States, at the option of the United States, to be exercised upon the execution of the contract to carry out this offer, the 60,000-kilowatt steam plant owned by it at Muscle Shoals in connection with nitrate plant No. 2, together with the necessary rights of way, lands, and housing facilities, and to pay therefor \$4,500,000 on terms satisfactory to the Government.

12. The projects covered by the licenses, including generating units and other additions made by the power company, shall be subject to recapture by the Government at any time during the license period or at the end of the period of 50 years under the terms of the Federal water power act.

13. Whenever the power company is directly benefited by the construction of a licensee of the United States or by the United States itself of a storage reservoir or other headwater improvement, the power company shall, in accordance with the Federal water power act, reimburse the owner of such reservoir or other improvement for such part of the annual charges for interest, maintenance, and depreciation thereon as the Federal Power Commission shall determine to be equitable; and whenever such reservoir or other improvement is constructed by the United States, the power company shall pay to the United States similar charges similarly determined.

14. The license shall provide that whenever the safety of the United States demands the United States shall have the right, in accordance with the Federal water power act, to take over and operate the projects covered by the licenses for the purpose of manufacturing nitrates, explosives, or munitions of war, or for any other purpose involving the safety of the United States, for such length of time as should appear to the President necessary for such purposes; and the United States shall also have the right to take over and operate said Sheffield steam plant in the same manner whenever the safety of the United States demands.

15. Upon the completion of No. 2 project the power company will furnish and deliver for 50 years, at any point within 5 miles of Dam No. 2, at such voltage as may be desired, and at actual cost to the power company, up to 60,000 horsepower, to be used solely in the manufacture of fertilizers.

Upon the completion of No. 3 project the power company will furnish and deliver for 50 years, at any point within 5 miles of Dam No. 2, at such voltage as may be desired and at actual cost to power company, 40,000 additional horsepower for use solely in fertilizer manufacture.

To the extent that the fertilizer company does not use power for such purpose the power may be used by the power companies in public-utility service.

I am sorry the senior Senator from Nebraska [Mr. NORRIS] is not now present in order that he might see how much better protected the Government and the people of the United States States would be if this offer were accepted. I do not propose that it shall be accepted; I am merely reading it to show the vast difference between the proposed bill of the Senator from Alabama and the proposal made by the Alabama Power Co. just a year ago.

16. The power company also agrees to create and cause to be paid to the directors described below a fund of \$1,000,000, which, with the accretions mentioned below, shall be used in electrochemical research in the interest of agriculture and the national defense. The expenditure and administration of such fund, both principal and interest, shall be under the control of five directors, one of whom may be from time to time designated and removed by the Secretary of Agriculture, one by the Secretary of War, one by the Secretary of Commerce, one by any corporation engaged in the manufacture of fertilizers at Muscle Shoals under contract with the Government, and all not so designated may be from time to time designated and removed by the power company. The directors may increase their number from time to time to any multiple of 5, the additional directors to be appointed and to be removable in like manner as the original directors. Action of the directors shall be by majority vote.

The following language relates to the compensation and duties of the directors, which I need not read, but which I ask permission to have published in the RECORD.

The PRESIDENT pro tempore. In the absence of objection it will be so ordered.

The matter referred to is as follows:

The compensation of the respective directors shall be fixed from time to time by the joint action of the Secretary of Agriculture, the Secretary of War, and the Secretary of Commerce. The directors may employ such technical and other services as they shall deem desirable, and the course of investigations made with the use of said fund (which may include investigations made elsewhere than in the laboratories of said fund), the persons, bodies, and institutions to make such investigations (which may include any bureau or agency of the Government or of any State or any college, corporation, or scientific body), the disposition of any results obtained, in whole or in part, from the use of such fund, and the terms of such disposal shall be subject to the direction of said board of directors, and any royalties or other proceeds shall be added to and become a part of such fund.

Said directors shall make and publish annually reports of their proceedings and of the research and investigation made with the use of

the fund, and shall account annually to the agencies which appointed the directors for the receipts, disbursements, and financial commitments from said funds. Said directors may at any time vest said fund in a corporation which shall hold the same subject to the provisions hereof and the Congress of the United States may at any time direct that such fund or any portion thereof then remaining shall thereafter be devoted to any use not herein provided for.

Mr. McKELLAR. The proposal continues:

The \$1,000,000 mentioned above shall be paid to such fund in 10 annual installments, except that any subscriber thereto may at any time anticipate his subscription in whole or in part.

17. In addition to any other remedies that may be possessed by the United States, the power company agrees that the Attorney General may on request of the Federal Power Commission or of the Secretary of War institute proceedings as provided in the Federal water power act for the purpose of remedying or correcting, by injunction, mandamus, or other process any act of commission or omission in violation of any of the terms of the contract or of any provisions of the Federal water power act applicable hereto or of any lawful regulation or order promulgated thereunder, and in case of the failure of the power company to comply with any final decree entered in any such proceeding the Attorney General may, on request of the Federal Power Commission or of the Secretary of War, institute proceedings as provided in said Federal water power act for the purpose of revoking any license issued thereunder.

Respectfully,

THE TENNESSEE ELECTRIC POWER CO.,
By C. M. CLARK, *Chairman*,
MEMPHIS POWER & LIGHT CO.,
By E. W. HILL, *Vice President*,
ALABAMA POWER CO.,
By THOS. W. MARTIN, *President*.

Mr. President, a short time after that offer was made, to wit, on January 24, 1924, an amended offer was made. It will be seen that the provision for the manufacture of fertilizer was not strong enough, and the power companies came back on the 24th of January with a proposition for the manufacture of fertilizer which it seems to me is just as strong as the one that we have in this bill. It is not long and I will read it.

THE SECRETARY OF WAR:

To provide for the manufacture of nitrogen and fertilizers at or near Muscle Shoals, Ala.—

Senators will notice that it says "at or near." In the proposal of the Senator from Alabama it is provided that it is to be manufactured there or near there—

and the sale and distribution thereof, the undersigned submit the following proposal:

These are the same people, now, who submitted the other proposal.

1. We agree to organize a corporation for such purposes with an initial capital of \$5,000,000 and the right to use one or more processes which have been commercially developed for the fixation of atmospheric nitrogen and for the manufacture of phosphoric acid.

2. The lessee under the proposal to the Secretary of War dated January 15, 1924, made by the Tennessee Electric Power Co., Memphis Power & Light Co., and Alabama Power Co. shall guarantee to the United States that the provisions of this proposal will be duly complied with, and shall contract for 50 years to deliver to the company on the lands mentioned below at cost the 100,000 horsepower of electrical energy for the manufacture of fertilizer provided for by said proposal of January 15, 1924, and on reasonable notice up to an additional 40,000 horsepower for similar use at rates and on terms prescribed by the Federal Power Commission.

It is supposed that 100,000 horsepower will be ample to make the 40,000 tons of fixed nitrogen, and here it is proposed to give it to the Government.

I continue the reading:

Upon receipt of any such notice the power company will be required to notify its customers of the amount of power thus required for fertilizer purposes, and such power shall thereupon be withdrawn from any service in which it at the time may be used and shall be made available for the fertilizer company. Said lessee may enter upon the plants and properties mentioned below for the purpose of carrying out the terms of this proposal in pursuance of said guaranty, and its obligations hereunder, including the provision of the capital mentioned above, shall be deemed expenses of its operation.

3. The United States shall lease to the company for 50 years all the property constituting nitrate plant No. 1, as officially known and designated, at a rental to be fixed by authority of Congress and included in the cost of the manufacture of fertilizers under this offer,

such lease to include the rights, licenses, and privileges to use any and all patents, processes, methods, and designs which have been acquired by the United States and may be transferred with said plant. The lessee company shall agree to maintain nitrate plant No. 2 in its present state of readiness so long as the Government may desire for immediate operation in the manufacture of materials necessary in time of war for the production of explosives, the expense thereof to be either included in the cost of the manufacture of fertilizer under this offer or deducted from the rent payable under said proposal of January 15, 1924, as may be determined under authority of Congress; this obligation to cease when said plant No. 2 is operated for or under authority of the Government. The lessee shall be entitled to make alterations in said plant No. 1 for the purpose of carrying out this proposal.

And I call especial attention to this:

4. The company shall construct and install on some of said lands the necessary plant and equipment to produce, and it will produce, annually fertilizers which contain 50,000 tons of fixed nitrogen—

Ten thousand tons more than is proposed in this bill—

as rapidly as there may be a commercial demand therefor at the price herein provided for; such fertilizers to be in the form of ammonium phosphate, ammonium sulphate, or other concentrated nitrogenous fertilizers. As soon as this proposal is accepted by the United States, the company will commence the construction of the first unit of the plant sufficient to produce annually fertilizers which contain at least 5,000 tons of nitrogen, and will complete and place the same in operation as soon as possible after the power for the operation thereof is available from Dam No. 2.

5. The company will agree to offer the products of said plant for sale to farmers and other actual consumers of fertilizer, including associations of such farmers and consumers, and will so fix the price thereof that the maximum net profit which it shall make in such manufacture and sale of fertilizer products shall not exceed 8 per cent of the fair, actual annual cost of production and sale thereof.

Just see what powers of supervision are given the Government, practically none of which are given in the pending bill:

6. The Secretary of Agriculture may from time to time prescribe regulations for distributing the products of said plant in accordance with this offer.

An amendment like that was voted down a day or two ago.

He may from time to time appoint and remove boards consisting of one or more representatives of his department, one or more farmers or representatives of farmers' associations, and a nominee of the company to supervise the enforcement of such regulations and to advise with the company from time to time as to the price to be charged farmers and other actual consumers and users of said products. The company may also, under authority and regulations prescribed by the Secretary of Agriculture, use part of said power in the manufacture of calcium arsenate or other insecticides for use by farmers and others.

I call attention to the difference between this and the proposal of the bill:

7. The corporation shall agree to file annually with the Secretary of Agriculture statements showing the cost and profits of the corporation from the operations under this offer, to permit the audit and verification of such statements by said official, and if during the year covered by any such statement the corporation shall have made profits in excess of those permitted by this offer, such excess profits shall be deducted from the cost of the produce sold during the calendar year in which such statement is settled.

8. The United States shall have the right, upon five days' notice, to take over and operate the company's plant hereunder, whenever necessary in the national defense, but in such case the United States shall reasonably compensate the company for the use thereof and shall protect the company from losses occasioned by such use (other than profits which the company might have made during such use), and shall return the property in as good condition as when received.

9. In addition to any other remedies that may be possessed by the United States, the company agrees that the Attorney General may on request of the Secretary of Agriculture institute proceedings as provided in the Federal water power act for the purpose of remedying or correcting by injunction, mandamus, or other process any act of commission or omission in violation of any of the terms of the contract resulting from the acceptance of this proposal or of the lease hereinbefore provided for, and in case of the failure of the company to comply with any final decree entered in any such proceeding, the Attorney General may, on request of the Secretary of Agriculture, institute proceedings as provided in said Federal water power act for the purpose of revoking said lease or this contract.

10. The undersigned may in discharge of their obligation hereunder organize a corporation with the right and capital provided for above, and cause it to contract with the United States to carry out the terms of this offer.

Respectfully,

THE TENNESSEE ELECTRIC POWER CO.,
By W. M. FLOOK, *President*,
THEODORE SWANN,
MEMPHIS POWER & LIGHT CO.,
By E. W. HILL, *Vice President*,
LOUIS C. JONES,
ALABAMA POWER CO.,
By THOS. W. MARTIN, *President*,
RAYMOND F. BACON.

Mr. President, I ask that for the convenience of Senators there may be printed in to-morrow's RECORD these two proposals of the Alabama Power Co. and others, and, in a parallel column, the proposal of the Senator from Alabama in regard to leasing this property, as contained in the first five sections of his bill ordered printed on December 8, 1924, so that Senators can see just exactly the differences that exist.

This offer never has been withdrawn. Of course, the Alabama Power Co. and those who are associated with it would be delighted, they would tumble over themselves to get the opportunity to accept a bill such as has been proposed by the Senator from Alabama; and at the same time they have before the Secretary of War an infinitely better offer for the American people and the Government of the United States, both in war and in peace.

It seems to me, Mr. President, that if we are going to pass a bill which in substance and effect turns over this great property to the Alabama Power Co. and its associates, it would be infinitely better for the Government that we represent and for the people that we represent, especially the farmers of the country, to pass a resolution here directing the Secretary of War to accept outright, just as it is, the offer of the Alabama Power Co. that has been made here. Why give it a better proposal than it makes to us? Why not accept that which is best for the people and for the Government? Why all this debate and delay when we already have a better proposal from the very company that no doubt will get this property if it is done?

Mr. President, as everybody knows, I was very much in favor of transferring this property to Henry Ford. I do not believe that the Government ought to be put in business if it is possible to avoid it. I believe that the Ford offer was infinitely better than the Alabama Power Co.'s offer. I regretted that Mr. Ford withdrew his offer. I think it was a great injury to our State and to our country when he did withdraw his offer; but he has withdrawn it. The question that arises in my mind is, what am I as a conscientious legislator to do about this proposal that will unquestionably turn over this plant to the Alabama Power Co. and its associates? I have nothing against that company or any other company; but when this great plant is turned over to any individual or any corporation I want to see two things guaranteed—a production of nitrates sufficient for our country in time of war, and a production of nitrates for farmers in time of peace—and then we should get the very best proposal possible. We should make the terms as good as it is possible for business men to make them.

I do not want to be hard on these people, but surely it is not necessary for us just to give this property away. How are we going to defend ourselves if we do that? Whether rightly or wrongly, I do not know—no man knows—the farmers of this country are expecting that when Congress takes action with reference to the power generated at Muscle Shoals they are going to be benefited in the way of cheaper fertilizer. How can we defend ourselves if we do not bring that about, especially those of us who are near the Shoals?

It is a burning question down our way. Because of the great publicity that has attended Muscle Shoals, almost every man, woman, and child in Tennessee is interested in what is done with it. It is a burning question there, and I have no doubt that it is in all the neighboring States. It is in every State that I have gone into. If we turn over this property under the terms of this bill to the Alabama Power Co. and its associates, and the farmers do not get cheaper fertilizer, what is going to happen to those of us who vote for it? That is a very serious question with me. Instead of passing this bill, I should say absolutely that it would be infinitely better for us to accept, just as it is, the offer of the Alabama Power Co.

Mr. HEFLIN. Mr. President—

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Tennessee yield to the Senator from Alabama?

Mr. McKELLAR. I yield.

Mr. HEFLIN. I want to ask my friend from Tennessee a question. Since my colleague [Mr. UNDERWOOD] has accepted the amendment suggested by the Senator from Nebraska [Mr. NORRIS], does not the Senator think that whatever company gets this property we will have the fertilizer manufactured as we intended it should be under the Ford offer?

Mr. McKELLAR. I hope that will be so; but I want to say this to the Senator in all frankness, and I say it without any malevolent spirit toward any person or organization or corporation in the world:

If the Secretary of War, under our authority, turns over this property to the Alabama Power Co. and its associates, and the price of fertilizer does not come down, and the price of electrical energy does not come down—and I do not believe it will come down—I conscientiously believe we will make a great mistake. Judging from the past performances of the Alabama Power Co., I do not believe that it has any real intention of reducing the rate on electrical energy. Perhaps I am not warranted in saying so, but I do not believe it intends eventually to reduce the price of fertilizer to the farmer. That is just my judgment. Of course, I am not a prophet; but after reading this proposal again I have no more doubt that if this bill passes the Alabama Power Co. is going to become the lessee of this property for 50 years under the terms of the bill than that I am standing here talking this afternoon.

We all know it. If the Alabama Power Co. is willing to take this property under the proposal it made last January, why would it not just fall over itself to take it under the delightful, easy, economic terms offered in this substitute?

Mr. HARRISON. Will the Senator yield?

Mr. McKELLAR. I yield.

Mr. HARRISON. The Senator says that the power company could get these rights at a smaller price under this substitute than under the prior proposal. Is the Senator familiar with the fact that the interest they would pay on the building of Dam No. 2 under the Alabama Power Co.'s second proposal, which was their last proposal, would amount to but 3½ per cent, and that under this substitute they would have to pay 4 per cent?

Mr. McKELLAR. It is 4 per cent under this. I have just read it.

Mr. HARRISON. If the Senator will permit me—

Mr. McKELLAR. I want to correct the Senator's mistake, because I have just read the proposals to the Senate, and in each one of them it proposes to rent the property at 4 per cent.

Mr. HARRISON. That is where the Senator is mistaken.

Mr. McKELLAR. I have just read it.

Mr. HARRISON. The Senator has not analyzed the first Alabama Power Co. bid. If he will figure it out he will find they offered to pay so much the first 3 years on No. 3, and then so much for the next 4 years, and then so much after that; and if he will figure the amount for 50 years, he will find that it comes to about 3½ per cent, not 4 per cent. If he will figure the amount the Alabama Power Co. offered in their last bid, which he has just read, he will find that it would figure 3½ per cent on Dam No. 3; and under the Underwood proposal they would be compelled to pay at least 4 per cent.

Mr. McKELLAR. Oh, no.

Mr. HARRISON. It is not less than 4 per cent.

Mr. McKELLAR. I call the attention of the Senator to what the Underwood proposal says. Let us get it correct.

Mr. HARRISON. The Underwood proposal does not include Dam No. 3, but the amendment which I have just offered does include Dam No. 3, and requires not less than 4 per cent.

Mr. McKELLAR. It is Dam No. 3 which the company offers to build without profit to itself for the United States Government, and it agrees to pay 4 per cent. The Senator's amendment is just in line with the bid of the Alabama Power Co.

As I have said, there is no animus of any kind in my position on this matter. I just feel this way, that this is the greatest asset in time of war, and I believe the greatest asset in time of peace, that this Government has, and we are asked just to barter it away for practically nothing.

If this substitute goes through without a provision for replacement—and the Alabama Power Co. offer to replace it—I have no doubt that in the next 50 years the United States Government will be called upon to replace enough of it to take up every dollar of the rental that is proposed to be paid, which is less than \$2,000,000. Why should we take the very best asset the Government has and turn it over to a private corporation on terms less than that corporation is willing to

pay, and in the end neither the Government nor the American people receive any real consideration for it?

I think the substitute of the Senator from Alabama has been slightly improved by the provision to force the company to manufacture 40,000 tons of fixed nitrogen a year. I think that is probably true. But I do not think it is any stronger put than this offer already made to the United States to manufacture 50,000 tons of nitrogen, and right now the Alabama Power Co. would be willing to go a great deal further in order to get this great power plant, the greatest power possibility in the country, perhaps, with the exception of Niagara Falls; a power plant which means the upbuilding or the lack of prosperity, perhaps, of a very large section of our country; a plant in which everyone in my State is interested and in which the people of Alabama and Georgia and Mississippi and the surrounding States and the farmers throughout the United States are interested. All I want is to get the very best possible terms from the lessee if we lease it.

I am opposed to municipal operation or governmental operation. I would dislike to see that plant go into the hands of the Government for operation, because I do not know what would happen to it. If we can make a proper contract with a lessee, not that he should get it for a song, I think I would prefer that it should go that way. I can not bring myself, with my rearing and education along political lines, to believe that governmental operation of the plant can be as successful as private operation; but, Senators, I would prefer that to our passing this substitute, which is virtually just giving the plant away to a corporation, and I do not know and you do not know whether it is an American owned and controlled corporation or an alien owned and controlled corporation. It is true that an amendment has been accepted by the splendid Senator from Alabama which gives the Congress the right to inquire into that question, but Senators know how those matters can be arranged. No doubt they figure that they will organize a new American corporation to take the plant over, but the actual ownership will be still abroad. We should not permit this. As much as I dislike Government operation I am almost tempted, Senators, to cast my vote in favor of governmental operation rather than virtually give this property away, and perhaps give it away to foreign interests.

I feel that way about it. I have no other interest to subserve than the interest of the people whom I represent, and all the people of this country. I think it will be a step which all of us in the future will regret if we turn the property over to any private corporation under the terms of the Underwood substitute.

I ask unanimous consent to have the two proposals of the Alabama Power Co. printed at the conclusion of my remarks in parallel columns with the proposal contained in the first five sections of the substitute offered by the Senator from Alabama, which is the only part of the substitute which refers to the matter.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

FIRST FIVE SECTIONS OF SUBSTITUTE OFFERED BY MR. UNDERWOOD, AS MODIFIED

That the United States nitrate fixation plants Nos. 1 and 2, located respectively at Sheffield, Ala., and Muscle Shoals, Ala., together with all real estate and buildings used in connection therewith; all tools, machinery, equipment, accessories, and materials thereunto belonging; all laboratories and plants used as auxiliaries thereto, the Waco limestone quarry in Alabama, and any others used as auxiliaries of said nitrogen plants Nos. 1 and 2; also Dam No. 2 located in the Tennessee River at Muscle Shoals, its power house, its auxiliary steam plants, and all of its hydroelectric and operating appurtenances, together with all machines, lands, and buildings now owned or hereafter acquired in connection therewith, are hereby dedicated and set apart to be used for national defense in time of war and for the production of fertilizers and other useful products in time of peace.

OFFER OF THE TENNESSEE ELECTRIC POWER CO. OF JANUARY 15, 1924

THE TENNESSEE
ELECTRIC POWER CO.,
Chattanooga, Tenn.,
January 15, 1924.

The SECRETARY OF WAR:

The undersigned submit the following proposal in connection with the Muscle Shoals projects of the Government:

1. For the purpose of carrying out this proposal, the undersigned, together with other companies engaged in serving the public with lighting and power in the Southeastern States, will form a corporation herein called the "power company," which will make all contracts necessary to carry out this proposal, and will provide \$10,000,000 of capital therefor, or such portion of that amount as upon the acceptance of this proposal may be determined to be necessary.

2. Upon the completion of Dam No. 2 and its power house, the power company will lease the same for a term of 50 years, under the terms of the Federal water power

SEC. 2. Whenever, in the national defense, the United States shall require all or any part of the operating facilities and properties or renewals and additions thereto, described and enumerated in the foregoing paragraph of this act, for the production of materials necessary in the manufacture of explosives or other war materials, then the United States shall have the immediate right, upon five days' notice to any person or persons, corporation or agent, in possession of, controlling or operating said property under any claim of title whatsoever, to take over and operate the same in whole or in part, together with the use of all patented processes which the United States may need in the operation of said property for national defense.

The foregoing clauses shall not be construed as modified, amended, or repealed by any of the subsequent sections or paragraphs of this act, or by indirection of any other act.

SEC. 3. In order that the United States may have at all times an adequate supply of nitrogen for the manufacture of powder and other explosives, whether said property is operated and controlled directly by the Government or its agents, lessees, or assigns, under any and all circumstances at least 10,000 tons the third year, 20,000 tons the fourth year, 30,000 tons the fifth year, and thereafter 40,000 tons of fixed nitrogen must be produced annually on and with said property, and no lease, transfer, or assignment of said property shall be legal or binding on the United States unless such adequate annual production of fixed nitrogen is guaranteed in such lease, transfer, or assignment.

SEC. 4. Since the production and manufacture of commercial fertilizers is the largest consumer of fixed nitrogen in time of peace, and its manufacture, sale, and distribution to farmers and other users, at fair prices and without excessive profits, in large quantities throughout the country is only second in importance to the national defense in time of war, the production of fixed nitrogen as provided for in section 3 of this act shall be used, when not required for national defense, in the manufacture of commercial fertilizers. The United States, its agents or lessees or assigns, shall manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, on the property hereinbefore enumerated, or at such other plant or plants near thereto as it may construct, using the most economic source of power available, with an annual production of these fertilizers that shall have a nitrogen content of at least 10,000 tons the third year, 20,000 tons the fourth year, 30,000 tons the fifth year, and thereafter 40,000 tons of fixed nitrogen. In order that the farmers and other users may be supplied with fertilizers at fair prices

act, and will lease the Government steam plant at Sheffield, Ala., for a term of 20 years, and will agree to pay an annual rental therefor to the United States of \$2,000,000. This is interest at 4 per cent on \$50,000,000, which includes the \$45,500,000 of estimated expenditures on the hydroelectric project to the time of its completion with eight generating units of 240,000 horsepower total capacity and \$4,500,000 representing the value of the Government's steam plant at Muscle Shoals. Said sum of \$50,000,000 also includes the \$17,000,000 expended on the project during and just after the war. After the expiration of the lease on the steam plant, or if the steam plant should be sold to the power company as hereinafter provided, such annual rental shall be reduced by 4 per cent on \$4,500,000.

The lease with respect to the project at Dam No. 2 will include the hydroelectric and operating equipment and spillway gates, together with such lands and buildings owned or to be acquired by the United States in connection with the power project as may be desired by the power company, but will exclude the locks and other navigation facilities. The lease will begin from the date when hydroelectric structures and equipment (including the necessary high-tension substations) of the capacity of 100,000 horsepower are installed and made ready for service, additional equipment of approximately 140,000 horsepower to be installed by the United States and made ready for service by January 1, 1926. Work on the high-tension substation shall be commenced by the power company at its own expense as soon as this offer is accepted.

Such annual rental will be payable at the end of each calendar year, except that for the first years of the lease period the rental shall be as follows: Three hundred thousand dollars at the end of the calendar year during which 100,000 hydroelectric horsepower is installed and made ready for service, or the proportionate part thereof if such 100,000 horsepower is not made ready for service the whole of the first calendar year; and thereafter \$300,000 annually at the end of each year for six years; for the next four years \$1,500,000 annually, increasing in the following year to the maximum rental.

The power company will, if desired by the United States, install at its own expense additional units beyond the eight units now provided for to meet the market demands for power. If not installed by the power company, such additional units will be installed by the United States to meet market demands for power, and the annual rental will then be increased by 4 per cent on the cost of such additional units.

3. The power company will, at its own expense, throughout the lease period, operate and make all

and without excess profits, the United States, its agents, lessees or assigns, shall be limited to a maximum net profit which may be made not to exceed 8 per cent of the fair annual cost of the production thereof.

SEC. 5. That the Secretary of War, with the approval of the President, is hereby authorized and empowered to lease the properties enumerated under section 1 of this act, with proper guaranties for the performance of the terms of the lease, for a period not to exceed 50 years: "Provided, That said lease shall be made only to an American citizen, or citizens, or to an American owned, officered, and controlled corporation; and, if leased, in the event at any time the ownership in fact or the control of such corporation should directly or indirectly come into the hands of an alien or aliens, or into the hands of an alien owned or controlled corporation or organization, then said lease shall at once terminate and the properties be restored to the United States. The Attorney General of the United States is given full power and authority and it is hereby made his duty to proceed at once in the courts for cancellation of said lease in the event said properties are found to be alien owned or controlled and are not voluntarily restored." The lessee being required and obligated to carry out in the production of nitrogen and the manufacture and sale of commercial fertilizer the purposes and terms enumerated in sections 1, 2, 3, and 4 of this act, and such other terms not inconsistent therewith as may be agreed to in the lease contract. The lessee shall pay an annual rental for the use of said property an amount that shall not be less than 4 per cent on the total sum of money expended in the building and construction of Dam No. 2 at Muscle Shoals and the purchase and emplacement of all works and machinery built or installed in connection therewith for the production of hydroelectric power. The lease shall also provide the terms and conditions under which the lessee may sell and dispose of the surplus electric power created at said plants. The lease shall also provide for the protection of navigation at said Dam No. 2 and the operation of the locks connected therewith. The lease contemplated in this section shall be made with the understanding that the United States shall complete and have ready for operation Dam No. 2 and the locks connected therewith, together with the plants and machinery for the production of electric power, and that after the lease is entered into the lessee shall maintain the property covered by the lease in good repair and working condition for the term of the contract.

necessary renewals and repairs incident to efficient maintenance of the spillway gates, the power house and substructures, superstructures, machinery, and appliances appurtenant to the power house, and will maintain the same in efficient operating condition, all in accordance with the Federal water power act, it being understood that all necessary repairs and maintenances of Dam No. 2 and the locks shall be under the direction, care, and responsibility of the United States and at its expense during the said 50-year lease period.

4. At all times during the period of the lease the power company will furnish to the United States, free of charge, the necessary power to operate the locks and other navigation facilities at Dam No. 2.

5. The lease of the steam plant shall provide for successive renewals at the same rent at the option of the power company, each for 10 years, but to expire in any event upon the expiration of the lease of No. 2 project, and it shall require the power company to make all renewals and replacements necessary to maintain the plant in good operating condition and for the insurance of the plant up to its full insurable value. The power company shall have the right to install additional units and other equipment therein which the United States may recapture in accordance with the provisions of the Federal water power act.

6. The power company will begin the construction of Dam No. 3, its locks and power house, whenever requested by the United States after the completion of Dam No. 2, and will construct same at the expense of the United States and without profit to the power company, in the shortest possible time consistent with good workmanship and economy, in accordance with plans and specifications prepared by the power company and approved as provided by the Federal water power act. The power company will for this purpose be permitted to make use of the construction plant at Dam No. 2. The power house will have a total installation of 250,000 horsepower with equipment, which includes the high-tension substation.

7. In case the United States so proceeds with such construction, the power company will lease from the United States under the terms of the Federal water power act for a period of 50 years the power house at Dam No. 3 and all of its hydroelectric and operating appurtenances, spillway gates, and high-tension substation, together with such lands and buildings owned or to be acquired by the United States in connection with the project as may be desired by the power company, but excluding the locks and other navigation facilities. Such lease shall begin from the date when structures and equipment of a capacity of 80,000

horsepower are installed and made ready for delivery of power to the power company, and the power company will pay to the United States as annual rental therefor 4 per cent of the actual cost up to a rental of \$1,200,000 per annum, payable annually at the end of each lease year, except that for the first years of the lease period the rentals shall be as follows: Two hundred thousand dollars at the end of the calendar year during which 80,000 horsepower is installed and made ready for service or the proportion thereof, if such 80,000 horsepower is not made ready for service the whole of the first calendar year; and \$200,000 annually at the end of each year for three years, increasing with the following year to the maximum rental. The Alabama Power Co., being the owner of the site of Dam No. 3 and of certain flowage lands acquired in connection with the project, agrees to donate the same to the United States in the event the project is constructed under this proposal for and at the expense of the United States. The power company will, if desired by the United States, install at its own expense all generating units when required to meet market demands for power.

8. If the United States so proceeds with such construction, the power company will, at its own expense, throughout the lease period, operate and make all necessary renewals and repairs incident to efficient maintenance of the spillway gates, high-tension substation, the power house and substructures, superstructures, machinery, and appliances appurtenant to the power house, and will maintain the same in efficient operating condition, all in accordance with the Federal water power act, it being understood that all necessary repairs, maintenance, and operation of Dam No. 3 and the locks shall be under the direction, care, and responsibility of the United States and at its expense during the said 50-year lease period. If Dam No. 3 is constructed and operated under license from the Federal Power Commission, as hereinafter provided, the provision of said act relating to repairs and maintenance and operation shall apply.

9. If the United States does not proceed with such construction on the plan proposed, then the power company may at any time build and operate said dam under the terms of the Federal water power act, and shall be granted a license therefor on application; one-third of the cost of the project to be borne by the United States as the value of the navigation improvements in the Muscle Shoals section of the river.

10. At all times during the period of the lease the power company will furnish to the United States, free of charge, the necessary power to operate the locks and other navigation facilities at Dam No. 3.

11. The power company also agrees to purchase from the United States, at the option of the United States to be exercised upon the execution of the contract to carry out this offer, the 60,000 kilowatt steam plant owned by it at Muscle Shoals in connection with nitrate plant No. 2, together with the necessary rights of way, lands, and housing facilities, and to pay therefor \$4,500,000 on terms satisfactory to the Government.

12. The projects covered by the licenses, including generating units and other additions made by the power company, shall be subject to recapture by the Government at any time during the license period or at the end of the period of 50 years under the terms of the Federal water power act.

13. Whenever the power company is directly benefited by the construction of a licensee of the United States or by the United States itself of a storage reservoir or other headwater improvement, the power company shall, in accordance with the Federal water power act, reimburse the owner of such reservoir or other improvement for such part of the annual charges for interest, maintenance, and depreciation thereon as the Federal Power Commission shall determine to be equitable; and whenever such reservoir or other improvement is constructed by the United States, the power company shall pay to the United States similar charges similarly determined.

14. The license shall provide that whenever the safety of the United States demands the United States shall have the right, in accordance with the Federal water power act, to take over and operate the projects covered by the licenses for the purpose of manufacturing nitrates, explosives, or munitions of war, or for any other purpose involving the safety of the United States, for such length of time as should appear to the President necessary for such purposes; and the United States shall also have the right to take over and operate said Sheffield steam plant, in the same manner, whenever the safety of the United States demands.

15. Upon the completion of No. 2 project, the power company will furnish and deliver for 50 years at any point within 5 miles of Dam No. 2 at such voltage as may be desired and at actual cost to the power company up to 60,000 horsepower to be used solely in the manufacture of fertilizers.

Upon the completion of No. 3 project, the power company will furnish and deliver for 50 years at any point within 5 miles of Dam No. 2 at such voltage as may be desired and at actual cost to power company 40,000 additional horsepower for use solely in fertilizer manufacture.

To the extent that the fertilizer company does not use power for such purpose, the power may

be used by the power companies in public utility service.

16. The power company also agrees to create and cause to be paid to the directors described below a fund of \$1,000,000 which, with the accretions mentioned below, shall be used in electrochemical research in the interest of agriculture and the national defense. The expenditure and administration of such fund, both principal and interest, shall be under the control of five directors, one of whom may be from time to time designated and removed by the Secretary of Agriculture, one by the Secretary of War, one by the Secretary of Commerce, one by any corporation engaged in the manufacture of fertilizers at Muscle Shoals under contract with the Government, and all not so designated may be from time to time designated and removed by the power company. The directors may increase their number from time to time to any multiple of 5, the additional directors to be appointed and to be removable in like manner as the original directors. Action of the directors shall be by majority vote.

The compensation of the respective directors shall be fixed from time to time by the joint action of the Secretary of Agriculture, the Secretary of War, and the Secretary of Commerce. The directors may employ such technical and other services as they shall deem desirable, and the course of investigations made with the use of said fund (which may include investigations made elsewhere than in the laboratories of said fund), the persons, bodies, and institutions to make such investigations (which may include any bureau or agency of the Government or of any State or any college, corporation, or scientific body), the disposition of any results obtained, in whole or in part, from the use of such fund, and the terms of such disposal shall be subject to the direction of said board of directors, and any royalties or other proceeds shall be added to and become a part of such fund.

Said directors shall make and publish annually reports of their proceedings and of the research and investigation made with the use of the fund, and shall account annually to the agencies which appointed the directors for the receipts, disbursements, and financial commitments from said funds. Said directors may at any time vest said fund in a corporation which shall hold the same subject to the provisions hereof and the Congress of the United States may at any time direct that such fund or any portion thereof then remaining shall thereafter be devoted to any use not herein provided for.

The \$1,000,000 mentioned above shall be paid to such fund in 10 annual installments, except that

any subscriber thereto may at any time anticipate his subscription in whole or in part.

17. In addition to any other remedies that may be possessed by the United States, the power company agrees that the Attorney General may on request of the Federal Power Commission or of the Secretary of War institute proceedings as provided in the Federal water power act for the purpose of remedying or correcting by injunction, mandamus, or other process any act of commission or omission in violation of any of the terms of the contract or of any provisions of the Federal water power act applicable hereto or of any lawful regulation or order promulgated thereunder, and in case of the failure of the power company to comply with any final decree entered in any such proceeding the Attorney General may, on request of the Federal Power Commission or of the Secretary of War, institute proceedings as provided in said Federal water power act for the purpose of revoking any license issued thereunder.

Respectfully,
THE TENNESSEE

ELECTRIC POWER CO.,

By C. M. CLARK, *Chairman*,
MEMPHIS POWER & LIGHT CO.,
By E. W. HALL, *Vice President*,
ALABAMA POWER CO.,
By THOS. W. MARTIN, *President*.

ADDITIONAL OFFER BY THE TENNESSEE ELECTRIC POWER CO. OF JANUARY 24, 1924

THE TENNESSEE
ELECTRIC POWER CO.,
Chattanooga, Tenn.,
January 24, 1924.

THE SECRETARY OF WAR:

To provide for the manufacture of nitrogen and fertilizers at or near Muscle Shoals, Ala., and the sale and distribution thereof, the undersigned submit the following proposal:

1. We agree to organize a corporation for such purposes with an initial capital of \$5,000,000 and the right to use one or more processes which have been commercially developed for the fixation of atmospheric nitrogen and for the manufacture of phosphoric acid.

2. The lessee under the proposal to the Secretary of War dated January 15, 1924, made by the Tennessee Electric Power Co., Memphis Power & Light Co., and Alabama Power Co. shall guarantee to the United States that the provisions of this proposal will be duly complied with, and shall contract for 50 years to deliver to the company on the lands mentioned below at cost the 100,000 horsepower of electrical energy for the manufacture of fertilizer provided for by said proposal of January 15, 1924, and on reasonable notice up to an additional 40,000 horsepower for similar use at rates and on terms prescribed by the Federal Power Commission. Upon receipt of any such notice the power company will be required to

notify its customers of the amount of power thus required for fertilizer purposes, and such power shall thereupon be withdrawn from any service in which it at the time may be used and shall be made available for the fertilizer company. Said lessee may enter upon the plants and properties mentioned below for the purpose of carrying out the terms of this proposal in pursuance of said guaranty and its obligations hereunder, including the provision of the capital mentioned above, shall be deemed expenses of its operation.

3. The United States shall lease to the company for 50 years all the property constituting nitrate plant No. 1, as officially known and designated, at a rental to be fixed by authority of Congress and included in the cost of the manufacture of fertilizers under this offer, such lease to include the rights, licenses, and privileges to use any and all patents, processes, methods, and designs which have been acquired by the United States and may be transferred with said plant. The lessee company shall agree to maintain nitrate plant No. 2 in its present state of readiness so long as the Government may desire for immediate operation in the manufacture of materials necessary in time of war for the production of explosives, the expense thereof to be either included in the cost of the manufacture of fertilizer under this offer or deducted from the rent payable under said proposal of January 15, 1924, as may be determined under authority of Congress; this obligation to cease when said plant No. 2 is operated for or under authority of the Government. The lessee shall be entitled to make alterations in said plant No. 1 for the purpose of carrying out this proposal.

4. The company shall construct and install on some of said lands the necessary plant and equipment to produce, and it will produce annually fertilizers which contain 50,000 tons of fixed nitrogen as rapidly as there may be a commercial demand therefor at the price herein provided for; such fertilizers to be in the form of ammonium phosphate, ammonium sulphate, or other concentrated nitrogenous fertilizers. As soon as this proposal is accepted by the United States, the company will commence the construction of the first unit of the plant sufficient to produce annually fertilizers which contain at least 5,000 tons of nitrogen, and will complete and place the same in operation as soon as possible after the power for the operation thereof is available for Dam No. 2.

5. The company will agree to offer the products of said plant for sale to farmers and other actual consumers of fertilizer, including associations of such farmers and consumers, and will so fix the price thereof that the maximum net profit which it shall

make in such manufacture and sale of fertilizer products shall not exceed 8 per cent of the fair, actual annual cost of production and sale thereof.

6. The Secretary of Agriculture may from time to time prescribe regulations for distributing the products of said plant in accordance with this offer. He may from time to time appoint and remove boards consisting of one or more representatives of his department, one or more farmers or representatives of farmers' associations, and a nominee of the company to supervise the enforcement of such regulations and to advise with the company from time to time as to the price to be charged farmers and other actual consumers and users of said products. The company may also, under authority and regulations prescribed by the Secretary of Agriculture, use part of said power in the manufacture of calcium arsenate or other insecticides for use by farmers and others.

7. The corporation shall agree to file annually with the Secretary of Agriculture statements showing the cost and profits of the corporation from the operations under this offer, to permit the audit and verification of such statements by said official, and if during the year covered by any such statement the corporation shall have made profits in excess of those permitted by this offer, such excess profits shall be deducted from the cost of the produce sold during the calendar year in which such statement is settled.

8. The United States shall have the right, upon five days' notice, to take over and operate the company's plant hereunder whenever necessary in the national defense, but in such case the United States shall reasonably compensate the company for the use thereof and shall protect the company from losses occasioned by such use (other than profits which the company might have made during such use), and shall return the property in as good condition as when received.

9. In addition to any other remedies that may be possessed by the United States, the company agrees that the Attorney General may, on request of the Secretary of Agriculture, institute proceedings as provided in the Federal water power act for the purpose of remedying or correcting by injunctions, mandamus, or other process any act of commission or omission in violation of any of the terms of the contract resulting from the acceptance of this proposal or of the lease hereinbefore provided for, and in case of the failure of the company to comply with any final decree entered in any such proceeding the Attorney General may, on request of the Secretary of Agriculture, institute proceedings as provided in said Federal water power act for the purpose of revoking said lease or this contract.

10. The undersigned may, in discharge of their obligation hereunder, organize a corporation with the right and capital provided for above and cause it to contract with the United States to carry out the terms of this offer.

Respectfully,

THE TENNESSEE ELECTRIC
POWER CO.,

By W. M. FLOOK, *President*,
THEODORE SWANN,

MEMPHIS POWER & LIGHT
CO.,

By E. W. HILL,
Vice President,

LOUIS C. JONES,

ALABAMA POWER CO.,

By THOS. W. MARTIN,
President,

RAYMOND F. BACON.

Mr. UNDERWOOD. Mr. President, I have listened with much interest to the speech of the Senator from Tennessee, and he has built up a ghost and dreamed a dream. I did not interrupt the Senator from Tennessee, because I wanted him to get out of his system all he had in it on this matter.

I want to say that the bill which I have introduced was written and prepared without any consultation with or consideration of the Alabama Power Co. whatever.

Mr. McKELLAR. Mr. President, I hope the Senator will not think I made any such intimation, because I did not.

Mr. UNDERWOOD. The Senator implied that this legislation was being passed for their benefit. After the bill was prepared and written the gentlemen who are officers of that corporation talked to me about it, and I did explain to them in detail what the bill provided, and they stated that they did not expect to make a bid.

I challenge the Senator's statement. He has made a statement which does not affect me and about which I do not care anything. In fact, I have for the last few years been opposing the Alabama Power Co. in the bid the Senator read, because I was supporting Henry Ford's offer, which I thought was a better offer than theirs; and I had no connection with helping them, and would have been supporting Henry Ford's offer at this hour if he had not withdrawn it. But I want to say to the Senator from Tennessee that I am not critical of the Alabama Power Co. I did not desire that they should have this power, but I think they have developed power on the Coosa River and at other places in Alabama and made a great development for Alabama, and if I am correctly informed they are selling power in Alabama to the citizens of Alabama, under our public service commission, at less cost than the citizens of his State and the other adjoining States pay for their power.

I do not want the Senate to be misled, however, by this ghost the Senator from Tennessee has built. If he had not made his remarks, I would not say another word. The Senator has intimated that the passage of the legislation would turn this property over to the Alabama Power Co. I challenge that statement. He can theorize all he wants to; but let him bring the proof.

Mr. McKELLAR. They have already bid on it.

Mr. UNDERWOOD. Oh, no.

Mr. McKELLAR. Here is an offer made for it infinitely better than the proposal of the Senator, and I take it for granted that if they wanted it so badly last January as to make such a splendid bid on it, they probably would accept the very easy and gracious terms of the Senator's substitute.

Mr. UNDERWOOD. Now, we have all there is in the Senator's remarks. The Senator for three-quarters of an hour has condemned the pending legislation because we were going to turn these powers over to the Alabama Power Co., and the only basis of his argument has been a theory of his that because on yesterday, or the day before, the Alabama Power Co. made an offer which he conceives to be better than the proposals of this substitute, the substitute is drawn in their interest. I am glad he has explained the only substance he has had in a speech of three-quarters of an hour on this subject.

I want to say to the Senator that when Mr. Ford's offer failed by his withdrawing it, there was no offer pending, and there was no legislation proposed, except the plan of the Senator from Nebraska, which is a power plan primarily. I want a powder and fertilizer plant. Neither the Senator from Tennessee nor anybody else had proposed a plan along the line

of the Ford offer. It was power that was covered in the Ford offer; and there is no difference between the Senator from Nebraska and myself about the distinctions between our bills. His is a superpower plan, and this is for powder and fertilizer.

The Senator criticizes the bill I have introduced because it has not in it all the terms found in an offer made by the Alabama Power Co. I could say to the Senator that it has not in it all the terms that were made in the offer of the Union Carbide Co., or in the Hooker-Atterbury offer, or a number of other offers that are pending before the Congress. Why has it not those terms in it? Because I am not asking the Senate of the United States or the Congress of the United States to write the contract.

Mr. McKELLAR. Will the Senator yield there?

Mr. UNDERWOOD. I yield.

Mr. McKELLAR. One of the offers made by the Alabama and associated power companies was that it should be held under the terms and regulations of the water power act. The Senator recalls that on yesterday the Senator from Oregon [Mr. McNARY] offered the same proposal, but the Senator from Alabama argued against it and it was defeated. Does the Senator think that the Secretary of War would be justified in putting into the lease a provision that this property should be regulated under the terms of the Federal water power act, when the Senate had already voted that it should not be so regulated?

Mr. UNDERWOOD. I do not think he would, and he should not. I think the Senator from Tennessee in the original vote against the McNary proposition voted as I did.

Mr. McKELLAR. I did.

Mr. UNDERWOOD. So he agrees with me.

Mr. McKELLAR. I would not want to mix up the two matters.

Mr. UNDERWOOD. He agreed with me at that time that it should not go into the contract. The reason why I did not agree that it should go into the contract was that I prefer for the power that is going to be sold in my State to be regulated and controlled by the Public Service Corporation of the State of Alabama. I not only think that is good Democratic doctrine, but I think it is sound business sense. I am inclined to think the people of Tennessee and Georgia and Mississippi, adjoining States where the surplus power will be sold, would prefer to have it regulated by their local commissions rather than by the Secretary of War or by a utility commission in Washington. That is the reason why I proposed it.

But the Senator interrupted me. I am not going to detain the Senate much longer. The Senator is criticizing the proposal because the terms of the contract are not in it. I have said a good many times, and it is difficult for me to make some of my brother Senators understand, that my proposal is not the writing of a contract. I have authorized the Secretary of War, with the approval of the President, to make the contract. If I had said nothing more about that point, nobody would question that the entire contract would be made down at the War Department on such terms as they wanted, but I provide that the Secretary of War and the President shall make the contract with the lessee with certain provisos. One of those provisos is that the lessee shall agree for 50 years to produce 40,000 tons of nitrogen a year after the first few years which we allow to enable the lessee to reach the maximum. I provide further that the nitrogen so made shall be converted into such amount of fertilizer as will consume the nitrogen; in other words, at 2-8-2 it would amount to about 2,000,000 tons of fertilizer. I provide further that the dam shall not be leased for less than 4 per cent of its cost.

With those provisos, which I think are the essential things that we want to attain, namely, nitrogen for defense and fertilizer for peace, I am willing for the Secretary of War and the President to put all the other terms into the contract. I think that the other minor terms can better be written into the contract by the Secretary of War and the President than we could write them in through legislation.

The Secretary of War and the President can put into the contract, if it comes down to that, all of the items that the Senator from Tennessee has read to the Senate. They can put in any other items that they think may protect the public interests. The reason why I left that broader discretion to the President and the Secretary of War rather than to attempt to write the terms into the bill is that I want to get the best contract I can with the best lessee available, and I know that if we make all of the terms of the contract hard and fast to begin with that we will probably limit our bidders to one concern. One lessee bidding for the lease may want it one way

in the matter of minor terms and another bidder another way, and if we try to fix permanently the terms of the contract as the Senator from Tennessee seems to approve of them, as offered by the Alabama Power Co., probably then we could not get any other bidder than the Alabama Power Co.

Mr. McKELLAR. Mr. President—

Mr. UNDERWOOD. I am leaving it open for the Secretary of War and the President to write the terms that will be satisfactory to the most available lessee, provided it produces the nitrogen and the fertilizer that we have been struggling for. I yield to the Senator from Tennessee.

Mr. McKELLAR. The Alabama Power Co. last January made this proposal to the Secretary of War, and the Secretary of War has transmitted the proposal to the Congress. It has not been acted upon. It has not been withdrawn. Does not the Senator from Alabama concede that it would be infinitely better for the Government and infinitely better for the manufacture of nitrogen, both for war and peace, to accept that proposal rather than to go into the vague arrangement that is proposed in his substitute?

Mr. UNDERWOOD. No. I am not sure the Senator is not for the Alabama Power Co. offer. I never have been and am not now, but the Senator evidently is.

Mr. McKELLAR. Oh no; I have never approved it. I stated that when I first spoke. The Senator can not say that. All I am saying is, if the Senator will permit me, that I considered the Alabama Power Co. offer at the time was not worthy of acceptance, but I say further that the offer of the Alabama Power Co., unworthy of acceptance as it is, is infinitely better for the Government and the people of America than is the proposal contained in the Senator's amendment.

Mr. UNDERWOOD. I understand that. The Senator has said that several times.

Mr. McKELLAR. I reiterate it.

Mr. UNDERWOOD. I have not been able to find out yet what the Senator from Tennessee is for. He is not for the proposal of the Senator from Nebraska for a superpower system. He is not for the proposal that the President of the United States and the Secretary of War shall have power to make a contract within the terms of my substitute, putting in anything else they want to. They can put in any terms as full and complete as the Alabama Power Co. has offered. The Senator now says he is not for the Alabama Power Co. offer, and I do not know what the Senator from Tennessee is for; but I am not criticising him on that score, because if he does not want to be for anything, that is his privilege.

Mr. McKELLAR. I think the chances are 3 to 1 that I shall vote against all the proposals that have been made—

Mr. UNDERWOOD. Yes; that is what I said.

Mr. McKELLAR. Because I do not think the Government is receiving a square deal in the proposals that have been made, so I am going to exercise my privilege as a Senator of the United States, not believing that the proposals are for the best interest of the people, and vote against them.

Mr. UNDERWOOD. That was my idea about the Senator's position exactly. I am sorry he will not give my proposal his support. I would like very much to have his support. As I understand it now, he is not for anything that is offered, and has not offered anything himself, and therefore under his position the whole thing would fail; the water would run over the Muscle Shoals Dam No. 2 and nobody would get the benefit of it.

Mr. McKELLAR. Oh, no; it would be promptly leased by the Secretary of War, just as part of it is being leased now to the Alabama Power Co. The Alabama Power Co. has a lease right now on the steam plant that is there, and, of course, if nothing is done, it will have a temporary lease on the whole matter. There is no doubt in the world about that. We all know it.

Mr. UNDERWOOD. Now the Senator comes back and is for the Alabama Power Co. He is right out for it.

Mr. McKELLAR. If the Senator from Alabama can not understand language any better than that, I am sorry for him.

Mr. UNDERWOOD. Not at all. The Senator is against everybody else's proposal, he has no proposal of his own, and he says that when they all fall then we will go back to the proposition where it is now; that the Secretary of War, and not the Congress, not myself, not the Senator from Tennessee, is leasing some of this power to the Alabama Power Co., and there is where he is going to put it again by not being for anybody else's proposition and not proposing anything himself.

Mr. McKELLAR. Oh, no.

Mr. UNDERWOOD. That is all I see in the Senator's position.

Mr. McKELLAR. That would not happen at all. Temporarily the Secretary of War would have the right to lease it. No one but the Congress of the United States can lease the property permanently, and it would not be leased. I think we ought to be very slow about leasing it. This great property ought not to be leased after a few hours' debate such as we have had here, and especially under the terms of the proposals that have been made. As I said before, it would be infinitely better to let the Government try its hand, much as I disbelieve in that, than to turn it over to a private corporation without consideration to the American people.

Mr. UNDERWOOD. I want to call the Senator's attention to the fact that many of my friends on the other side of the Chamber do not think we can get a lessee under the terms of the bill. My friend from Tennessee thinks some others are going to fall over themselves to gobble up the lease. I have not any understanding or agreement or anything else with the Alabama Power Co. The only thing I have heard from them was that they did not expect to put in a bid under this measure. I did hear that officially from one of their officers. If the Senator from Tennessee has any better information than that, I would be glad to have him produce it authentically and not theoretically.

Mr. CARAWAY. If the Alabama Power Co. wants to bid, they can do so through the Secretary of War?

Mr. UNDERWOOD. Certainly.

Mr. CARAWAY. The Secretary of War is a man of some business acumen, is he not?

Mr. UNDERWOOD. Certainly.

Mr. CARAWAY. And if it is such a good thing, he ought to be able to get a reasonable form of contract.

Mr. UNDERWOOD. If their offer is so good and they have made it once, and come back to bid again, he will ask that the bid be put in under the terms of the bill, of course.

Mr. CARAWAY. Under the provisions of the bill they could put in any offer that they have heretofore made.

Mr. UNDERWOOD. Certainly. There are two ways by which the property may be leased. One is for the Congress to write every detail of the contract into legislation and say that the bidder must come up and do those things. That would make it very difficult to get a bidder. The other way is to authorize officers of the Government to make a lease for us, I have selected as those officers of the Government the head of the War Department, the head of the national defense system of the Government, and the Chief Executive of the United States—the President. I really believe, after listening to the debate and considering the legislation that has dragged through the Congress for the last four years on this subject, that we are so far apart in our opinions as to what is the right thing to do and how to do it that a far more effective remedy to accomplish a purpose beneficial to the United States is to do just what I am proposing to do rather than what the Senator from Tennessee suggests.

My proposal is to allow the President of the United States, through his Secretary of War and with his approval, to agree on the terms of a contract if he can find a lessee, rather than for us to sit here and try to write the terms of the contract into law. I think that is the practical way to do it and the better way to do it. I am willing to do that so long as I capture the objective for which some of us in Congress have fought for 10 years, and that is to get national defense and a better supply of fertilizer for the American farmers.

Of course, it could be done the other way. We could write into law every detail that we want. If the Alabama Power Co. will carry out the terms of the contract, I have no objection to their submitting a bid and making the contract. I will say to the Senator from Tennessee that they told me they did not expect to bid. I can say that authoritatively, but if the Senator from Tennessee finds that they have changed their minds I shall be glad to know it. They told me that only two or three days ago.

Mr. McKELLAR. What they propose is simply in connection with their companies to organize a separate corporation which will bid. That is what they propose. It is perfectly plain what they expect to do. The method which they use is immaterial. They are going to get the property before this matter is over.

Mr. UNDERWOOD. Of course, the Senator says that without producing his proof. I have no information on the subject, but I will be perfectly candid and say that if the Alabama Power Co. makes the right kind of lease with the Government, I shall have no objection to their getting it. If they will make 40,000 tons of nitrogen and convert it into the requisite amount of fertilizer, which would be nearly 2,000,000 tons, will pay the interest under the contract, and comply with the other

terms which the President will require, it will be no concern of mine whether they do secure it or whether somebody else secures it. I merely want it to go to the bidder offering the most favorable terms. There is the distinction that my friend from Tennessee [Mr. McKELLAR] does not seem to realize, that I am passing the making of the contract to the Chief Executive, the President of the United States, instead of to the Congress.

Mr. CARAWAY. I desire to ask the Senator a question. If we really wanted to legislate in behalf of the Alabama Power Co. would it not be better, then, to accept their proposal?

Mr. UNDERWOOD. Certainly; that can be substituted for the Ford offer; there is no doubt about that; but I prefer to leave it open, as I have done, to every bidder, if the substitute is adopted, to come before the Secretary of War and the President of the United States and submit a bid. Then the President of the United States and the Secretary of War may accept the best of the bids and make the terms.

Mr. NORRIS. Mr. President, I wish to ask the Senator from Alabama a question before he sits down.

Mr. UNDERWOOD. Very well.

Mr. NORRIS. Assuming the Senator's substitute becomes the law and the property is leased under it, I wish to get the Senator's judgment as to whether or not the lessee would sell the surplus electric power or whether he would keep it all, as he could do under the Senator's substitute if it should be enacted.

Mr. UNDERWOOD. Of course I should have to be advised who the lessee would be. I have talked with a great many gentlemen who have been interested in this matter. Some of them, I think, are more interested in power and the sale of power than they are in manufacturing, and they would make nitrogen merely because they wanted to get the use of the power. There are others who are interested in manufacturing. For instance, under the Hooker-Atterbury offer, I think that Mr. Hooker's idea would be to use the surplus power for other manufactures.

Mr. CARAWAY. That was Ford's idea.

Mr. UNDERWOOD. I think that was also Ford's idea.

Mr. NORRIS. I do not suppose that anybody could state definitely as to that.

Mr. UNDERWOOD. I can not predict and do not care to predict as to the surplus power; I am perfectly candid with my friend from Nebraska. Under my amendment I am offering the surplus power at Dam No. 2, as the substitute now stands, as a bonus in order to get somebody to come in there and produce the nitrogen and the fertilizer. I am not trying to tie the hands of the lessee, and I hope the Senate will not try to tie his hands. I think we shall get a better bid if we let the lessee dispose of the surplus power as he best can in his own interest.

Mr. NORRIS. Again assuming that the Senator's substitute is enacted into law and that someone becomes the lessee who wants to sell the power and does not want to go into manufacturing, or assuming that no one submits a bid and then the governmental corporation undertakes the operation of the plant, as provided in the Senator's substitute, there is no power given to construct a single mile of transmission line.

Mr. UNDERWOOD. The Senator is mistaken about their not having the power to construct transmission lines.

Mr. NORRIS. I have not been able to find a provision to that effect.

Mr. UNDERWOOD. I do not directly provide for the construction of transmission lines, but I give them the power to do anything which is incident to carrying on their business. I authorize them to sell the power.

Mr. NORRIS. Yes; they are authorized to sell the power; I understand that; but I can not find anything in the Senator's amendment which seems to me to give them the power to construct a transmission line. I do not believe such power is contained in the amendment. If the Senator desires to bestow such power, it seems to me he ought to do it explicitly.

Mr. UNDERWOOD. I have no desire to put such a provision in the bill because—

Mr. NORRIS. Then, if it is not in—and my question is predicated on that theory, though I may be wrong—

Mr. UNDERWOOD. I have no desire to put it in because I know that under the powers granted the proposed corporation they will have all the power that any ordinary corporation would have to carry out the purposes for which they are established, and one of those powers is to sell power.

Mr. NORRIS. I wish the Senator would read the language which he thinks gives them the power to build transmission lines.

Mr. UNDERWOOD. I think it is a general incident to the organization of the corporation. There is no specific language conferring such power, but if a corporation were organized for the manufacture of flour, though nothing were said about its right to hire teams to haul the flour around to the grocery stores so that it could sell it, would the Senator from Nebraska think that it would require special language to authorize it, after it had manufactured the flour, to hire a team of horses or to buy one to haul the flour around?

Mr. NORRIS. No.

Mr. OVERMAN. Mr. President—

Mr. NORRIS. Will the Senator from North Carolina let me answer the question, as the Senator from Alabama has propounded one to me?

Mr. OVERMAN. Before the Senator from Nebraska does that, I should like to ask the question whether if the power is given to this corporation to build transmission lines it can also condemn property? Property can not be condemned without some authority to do so.

Mr. UNDERWOOD. The corporation would have the same authority that any other corporation would have.

Mr. NORRIS. Let me answer the question which the Senator from Alabama has propounded to me. The Senator has asked if a corporation is organized for the purpose of manufacturing flour, will they not have the power incident to such purpose of using means to haul the flour around to dealers? I say, yes, they would; but if we authorize a corporation to manufacture flour, it does not follow that they will have the right to build a railroad to carry their flour in interstate commerce, which would require the power of eminent domain. Neither would the proposed corporation have the power to transmit electricity on an overhead trolley; neither would they have the power to build a telephone line and go into the telephone business; neither would they have the power to build a transmission line; for, in order to build a transmission line to carry out such a power, they must have the right of eminent domain, the same as a railroad has. So I wish to say to the Senator from Alabama that, in my humble judgment, poor though it may be, his substitute does not give the power to the governmental corporation to build a single foot of transmission line. If he thinks they should have such a power, I want to suggest that he insert it in his substitute.

Mr. UNDERWOOD. I want to say to the Senator that I think the general powers of this corporation will be sufficient. If the Senator does not think so and thinks it is better to incorporate an explicit provision, I have no objection to an amendment, if he desires to offer one to give them that additional power if he thinks it is necessary, but I do not think it is necessary.

Mr. NORRIS. The questions I have asked were brought to my mind by some questions asked by the Senator from Tennessee [Mr. McKellar], who, I am sorry to say, is not now here, because I was asking them partially on his account. If no private individual or company should bid and secure this power, and the governmental corporation were set up under the Senator's substitute, they would not have any power to build a transmission line although the right is expressly given to sell surplus power. Under the circumstances there is only one bidder on earth that is prepared to take Muscle Shoals and that is the Alabama Power Co., because it is the only probable bidder that has a transmission line anywhere near. So it seems to me that they would have the advantage at least of any other company which would first have to build a transmission line.

Mr. CARAWAY. May I suggest that there are other power companies there. The Mississippi Power Co., within 80 miles of the plant, stands ready to build a transmission line.

Mr. UNDERWOOD. And the Tennessee corporation is only a short distance across the river and within a very few miles of it. It could operate a transmission line if it wanted to do so. As an actual fact to-day, the only wire that goes into Sheffield happens to be an Alabama wire, but if they wanted to sell the power under terms that were satisfactory there would be no difficulty about doing it.

As the bill stands, I have not regarded the sale of power as of very much moment. The Senator has repeatedly said in his speeches that if we operated nitrate plant No. 2 and used the power process for the manufacture of phosphorus, most of the power there would be consumed.

Mr. NORRIS. Most of the primary power of Dam No. 2 would be consumed; I think that is true; but, of course, the Senator must see, in fact he has frankly admitted, that he is giving to this bidder in a certain way a bonus so that the bidder will be able, under the provisions of his amendment, which are now made explicit since my amendments were agreed to, to

manufacture nitrates and be able to recoup what he loses on nitrates by the sale of power. Therefore the sale of power, even though it be mostly secondary—although before the full six years shall have elapsed probably Dam No. 3 will be completed and there will be some primary power to sell—the power, after all, even under the Senator's own proposition, is the thing that is going to make it go, if it shall go.

Mr. UNDERWOOD. I do not admit that that is the only thing, because, as I said after the Senator went to lunch to-day, the Cyanamid Co. is operating a similar plant in Canada and sending its product to the United States to be made into fertilizer and is doing a successful business.

Mr. NORRIS. But, if the Senator will permit me, the Cyanamid Co. in Canada is making a vast number of other things; they do not make fertilizer. They sell small quantities of cyanamide to manufacturers. It is a sort of by-product. They are not in the business as a fertilizer proposition. They could not now take—and they would say so to you if you would ask them—nitrate plant No. 2 and make a fertilizer plant of it and pay expenses. They would admit that frankly.

Mr. UNDERWOOD. No; the Senator is wrong about that, because I asked them that question. I have talked to Mr. Bell, the president of the company. I do not think Mr. Bell would be likely to take a contract to make 40,000 tons of nitrogen; but, if it were not for the amount, I think he would be very glad to consider the proposition. He talked to me in a very friendly way, but he talked in just the opposite way from what the Senator has stated, and indicated that from a cyanamide plant fertilizer may profitably be manufactured.

Mr. NORRIS. I will say to the Senator that, to my mind, the testimony shows without contradiction that nobody could take nitrate plant No. 2 to-day and, even if supplied with power absolutely free, use it to make fertilizer and compete with commercial fertilizer at the present market price. That statement has been made frankly and emphatically by an expert whom the committee had before it, Major Burns, who has been in the business ever since we started to build any of the nitrate plants down there and who is familiar with every detail.

Mr. UNDERWOOD. I read most of the testimony before the Senate committee, and I know there is testimony along that line, but it was not given by men who were in the business. What I was calling to the Senator's attention was the fact that the Cyanamid Co. of Canada is selling some of its cyanamide directly as fertilizer and is converting another portion of it in New Jersey into sulphate of ammonia, and is doing a successful business. But that is neither here nor there.

Mr. NORRIS. The Cyanamid Co. is doing a successful business; I do not dispute that; but, Mr. President, if the Senator will permit me, its business is not primarily the manufacture of fertilizer. It is not in the fertilizer business. It is selling some cyanamide, and there is a small quantity of it used in some fertilizers, and the company is selling it to some people who manufacture fertilizers and put in the cyanamide.

Mr. UNDERWOOD. If the Senator will allow me, I am perfectly willing for him to have his own opinion, but from the statements to me I say that the company is selling a large portion of it for the raw material in fertilizer; but, Mr. President, it does not make any difference. Until it is tried out, the Senator and I never will agree whether this plant can run profitably or not. I say, as I have said from the beginning, that as a matter of national defense it should run whether it runs profitably or not. Of course, no lessee is going to bid on it unless he thinks he can run it profitably. We will agree that far. If we get a lessee, he will go in there because he thinks he can make a profit, and we will hold him to his contract, and we ought to hold him to his contract.

Mr. NORRIS. Surely.

Mr. UNDERWOOD. So, on that part of it, we can dismiss the lessee. If we come to the Government, that is a different matter; but I say that the Government should operate the plant as it would operate a battleship. If it loses money on it, it ought to operate it anyhow for national defense; and if it makes the nitrate product for national defense it is cheaper to make it into fertilizer and sell it below cost than it would be to throw the product into the river, because it would get some return on its product.

Mr. NORRIS. Assuming that it is going to make it, the Senator compels it to make it when there is no use for it, and says: "Now, since you have made it, you make it into fertilizer and sell it below cost."

Mr. UNDERWOOD. The Senator can not say to me that there is no use for it. He said to-day that there was a consumption of 8,000,000 tons of fertilizer in this country annually.

Mr. NORRIS. Oh, yes; but if you made a fertilizer and tried to sell it for a thousand dollars a ton you would have it

on your hands unless you changed the price and sold it at a loss.

Mr. UNDERWOOD. Of course; nobody disputes the fact that you have to sell it cheaply enough for the people to buy it; and that means that you have to sell it just as cheaply as anybody else is selling it, if not cheaper, but certainly as cheaply. There is no dispute about that. I say it would be cheaper for the Government corporation to convert its nitrogen into fertilizer and sell it below cost than to throw the nitrogen into the river.

Mr. NORRIS. Nobody wants it to throw the nitrogen into the river.

Mr. UNDERWOOD. Then there is no dispute.

Mr. NORRIS. The difference is that some of us say: "Unless you can make it and make fertilizer of it at a cost that the farmer can afford to buy it for, and thus cheapen the product, then do not make it."

Mr. STANLEY. Mr. President—

Mr. UNDERWOOD. I contend that we should make it for national defense.

Mr. NORRIS. I understand that.

Mr. UNDERWOOD. That is the difference. If the Congress says that we ought not to make it until we are absolutely convinced that it can be done at a profit—and we can not be convinced of that except by an operation of this plant and a trial—if the Congress has made up its mind that it will not make it until it has been convinced of that, then that merely means that we abandon this project except as a power proposition.

Mr. NORRIS. No; not by any means. We say that as a matter of national defense, for explosive purposes, the cost of the product is an absolutely secondary consideration; but the Senator says, "Make it as a matter of national defense when we do not need it as a matter of national defense." If we need it as a matter of national defense, then why make it into fertilizer?

Here is your nitrate, and you say: "We are making this for national defense." All right, let us have it for national defense, as much of it as we think we ought to have. When we get that much, if any more is made, then you propose to put it into fertilizer. Why not stop?

Mr. UNDERWOOD. Of course, the whole proposition—

Mr. NORRIS. Why not do the same as you do with the battleship?

Mr. UNDERWOOD. If the Senator will allow me, I very rarely interrupt other Senators, and I should like to finish the sentence. I am always glad to yield.

Mr. NORRIS. I beg the Senator's pardon.

Mr. UNDERWOOD. If you build a battleship, as I said before, you do not anchor it in a harbor without any men on it or anybody to take care of it, or without its being equipped for action. You put it in exactly the same condition in which you would operate it in time of war, and you sail it out to sea and keep it moving, so that if war breaks out it is prepared to go, from the captain down to the crew. Now, why should you say that you are going to let a powder plant, a nitrogen plant, lie obsolescent, and you do not know whether you will run it or not?

I was astonished to see a report come in here the other day saying that they did not know whether or not they could make 5,000 tons of nitrogen a year at this plant, which six years ago was guaranteed to make 40,000 tons. I think there was a mistake about it. The president of the Cyanamid Co., which built the plant—not the man who actually built it, but the president of the company that built it—told me within two weeks that that plant could make 40,000 tons unless something has happened to it.

Mr. NORRIS. I think that is true if you are making explosives, but some additional machinery will have to be put in before you can make fertilizer there.

Mr. UNDERWOOD. If the Senator will allow me to conclude, I want to sit down in a moment. Of course, in order to make fertilizer you have to build a fertilizer plant, and that is why we carry some bonds in this bill to do it; but I am talking about the nitrogen. Unless that plant is going to become obsolescent it will have to be operated, and what I am fighting for is to have it operated and give the farmers of this country the benefit of the fertilizer.

That is my theory, and that is the theory of some Senators who are voting with me. I realize that there are other people who say that this can not be done and ought not to be done; that if you want to experiment on this subject of making nitrogen fertilizer you can experiment, but that this great plant should be used for power purposes.

I am not on that side of the question. That is the side of the Senator from Nebraska. If the majority of Congress agrees with him, then we will abandon national defense and fertilizers, in the main, and develop this great property for a power proposition, and it can be done successfully and profitably. I do not question the Senator's position on that point. It has been demonstrated that it can be made a successful and profitable business by carrying out the plan of the Senator from Nebraska for a superpower proposition, and when we strip ourselves of our clothes and come down and show our naked souls to the public we are really divided on two plans. One is the plan for a great water-power development, which the Senator from Nebraska advocates, and the other is a plan for national defense, powder, and fertilizer, which I am trying to write into this bill.

Mr. NORRIS. Mr. President, I want to say just one word for fear that my silence may be considered as an admission.

I do not admit that the committee abandoned national defense. I do not admit that it abandoned fertilizer. I claim and I believe, and I think I shall be able to demonstrate, that its proposition is the only practical proposition before the Senate which in a businesslike way solves or attempts to solve the question of national defense or the question of fertilizer.

Mr. STANLEY. Mr. President, I have understood the Senator from Nebraska [Mr. NORRIS] to state that some authority stated before the Agricultural Committee that this plant could not make commercial fertilizer below the market price of such fertilizer. I may be in error, but when this question was up before I made quite a study of the proposition—in advocacy, by the way, of the Government's operation of the plant at that time—and my impression is that there was a great difference of opinion among the experts as to the actual cost of producing commercial fertilizer and that quite a number of men learned in the business—experts, persons who had practical knowledge of the operation of these plants, especially plants of the character of the plant at Muscle Shoals—maintained that commercial fertilizer could be produced at a profit at the then market price.

Mr. HARRISON. Mr. President, I would not at this hour detain the Senate before it goes into executive session if it were not for the fact that the distinguished Senator from Tennessee [Mr. McKellar] made an argument to-day which no doubt will go on the winds and be published and be given great import; and I desire to answer, just briefly, one or two suggestions that he made. He is a Senator of great influence, and his utterances have great weight in my particular section of the country. The people there will read and some of them will relish what he has said about the bill to which I have given my allegiance and for which I shall cast my vote.

The Senator says he is against this bill, and he compares the Underwood bill to the proposal of the Alabama Power Co., and says that the proposal of the Alabama Power Co. is better for the people; that the country would get bigger results and the farmers would get more benefits from it, as I understand him, than under the provisions of the Underwood bill.

I deny both of those propositions. I sat in the committee considering this question. I never was for the Alabama Power Co.'s proposal. I do not know of a single member of the Agricultural Committee of the Senate who voted for it. I do not know of anybody in the Senate who is for it now. The Alabama Power Co.'s proposal in some respects was fair, but in others it seemed to me that it was not fair.

The Senator says that so far as the consideration is concerned, the Alabama Power Co.'s proposal would bring bigger results and returns to the Government than this bill. The Senator has not read or has not studied or has not estimated the proposal of the Alabama Power Co. If he will look at it he will see that in its bid the Alabama Power Co. proposed to pay \$300,000 a year for six years on Dam No. 2 and \$1,500,000 per year for the next four years, and thereafter \$2,000,000 per year. That was on Dam No. 2. Figuring it up, it is 3½ per cent interest on the cost of Dam No. 2.

Now, let us take Dam No. 3, which is proposed to be constructed under my amendment. The Alabama Power Co.'s proposal is \$200,000 per year for the first three years, and thereafter 4 per cent on the actual cost, a rental not exceeding \$1,200,000 per year. Then they have a proviso there that in no case can it be over 4 per cent on the cost of \$30,000,000.

The estimate is that it will cost about \$32,000,000. If you figure the amount of the Alabama Power Co.'s proposal for the construction of Dam No. 3, it figures 3½ per cent on the cost of that dam. The Underwood proposal insures to the Government not less than 4 per cent on the cost of Dam No. 2

and Dam No. 3 if my amendment should be adopted; and so the Government, in dollars and cents, will at least get one-half of 1 per cent more under this bill than it is possible for it to get under the Alabama Power Co.'s proposal.

Now let us see as to the other proposition. The Senator says that the Alabama Power Co.'s proposal is better than that of the Senator from Alabama. The Alabama Power Co., under its proposal, could make sulphate of ammonia and nothing else. The wording of the proposal says that it will make fertilizer to the extent of the commercial demand and therefore at the price therein provided for. The price provided in the Alabama Power Co.'s proposal is based on the cost of production and sale. The Underwood proposal is to sell the product for the cost of production and not over 8 per cent on the cost of production. If you would put it at 8 per cent on the cost of production and sale, it might be 16 per cent on the cost of production alone; and certainly the Alabama Power Co.'s proposal is not as fair in that respect as is the provision in the Underwood proposal.

Let us go further. They are to make fertilizer according to commercial demand. The Underwood proposal says they have to make 40,000 tons of fixed nitrogen a year, after a certain number of years. There is no discretion lodged there. There is discretion lodged in the Alabama Power Co.'s proposal.

What else? The Underwood substitute provides that they have to make 40,000 tons of fixed nitrogen or fertilizers of every kind, mixed and unmixed, and he added "according to demand." I am sorry that was stricken from the measure. I think the striking out of that phrase weakened the substitute.

I do not think the argument of the Senator from Nebraska had any weight. I think the provision meant that 40,000 tons of fixed nitrogen must be made every year, and it was to be made according to the wishes and demands of the farmers of the country.

If a farmer had wanted a certain kind of fertilizer, they would have had to produce it within the 40,000 tons of fixed nitrogen. If a farmer had wanted another kind, they would have had to make that kind. But that has been stricken from the bill under the eloquence of my friend from Nebraska. The Alabama Power Co., however, wrote and said, "We will make, according to commercial demand, ammonium phosphate, ammonium sulphate, or other nitrogenous phosphates." They have it within their power under their proposal to make ammonium sulphate, and ammonium sulphate alone, of which we have a great excess now, and which would be no good to the farmers of the country.

Therefore I submit that when you analyze the Underwood proposal and analyze the Alabama Power Co. proposal, there is no comparison between the two propositions. If the Senator should vote for the Alabama Power Co. proposal, he would do the farmers of this country little good, and he would take from the taxpayers of America a half of 1 per cent at least on the cost of this proposition.

EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

RECESS

Mr. CURTIS. I move that the Senate take a recess until to-morrow at 12 o'clock noon.

The motion was agreed to; and the Senate (at 4 o'clock and 52 minutes p. m.) took a recess until to-morrow, Thursday, December 11, 1924, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 10, 1924

POSTMASTERS

CALIFORNIA

John F. Conner to be postmaster at Del Mar, Calif. Office became presidential October 1, 1924.

Marylyn M. Thomas to be postmaster at Stanford University, Calif., in place of G. E. Meekins, resigned.

Gladys B. Evans to be postmaster at Grafton, Calif., in place of F. R. Evans, resigned.

Mamie L. Royce to be postmaster at Pittsburg, Calif., in place of M. L. Royce. Incumbent's commission expired February 11, 1924.

COLORADO

Ira R. Wood to be postmaster at Ramah, Colo. Office became presidential October 1, 1924.

Beulah J. Wright to be postmaster at Estes Park, Colo., in place of H. S. Carruthers. Incumbent's commission expired April 23, 1924.

CONNECTICUT

Mary A. Tracy to be postmaster at Central Village, Conn., in place of Frank La Favre, appointee declined.

George E. Dickinson to be postmaster at Rockville, Conn., in place of George Forster. Incumbent's commission expired June 5, 1924.

John J. O'Neill to be postmaster at Killingly, Conn., in place of Patrick Riley. Incumbent's commission expired February 4, 1924.

GEORGIA

Julien V. Frederick to be postmaster at Marshallville, Ga., in place of J. V. Frederick. Incumbent's commission expired July 28, 1923.

ILLINOIS

William D. Garriss to be postmaster at Dowell, Ill. Office became presidential July 1, 1924.

INDIANA

Harley Secor to be postmaster at Akron, Ind., in place of A. L. Adamson, deceased.

Louis W. Otto to be postmaster at Crawfordsville, Ind., in place of W. H. Johnston. Incumbent's commission expired June 5, 1924.

Lewis Debolt to be postmaster at Claypool, Ind., in place of O. A. Minear. Incumbent's commission expired June 5, 1924.

Lawrence E. Hoffman to be postmaster at Argos, Ind., in place of J. M. Wickizer. Incumbent's commission expired June 5, 1924.

IOWA

Edward M. Bratton to be postmaster at Shellsburg, Iowa, in place of E. M. Bratton. Incumbent's commission expired June 5, 1924.

Gilbert Jones to be postmaster at Hawkeye, Iowa, in place of A. B. Peters. Incumbent's commission expired June 5, 1924.

William C. Moon to be postmaster at Greene, Iowa, in place of Amos Ingalls. Incumbent's commission expired June 5, 1924.

Elizabeth Summers to be postmaster at Fort Atkinson, Iowa, in place of A. J. Schreiber. Incumbent's commission expired June 5, 1924.

Charles A. Norris to be postmaster at Eldora, Iowa, in place of E. S. Thompson. Incumbent's commission expired June 5, 1924.

KANSAS

M. Blanche Perry to be postmaster at Culver, Kans. Office became presidential October 1, 1924.

Robert W. Cyr to be postmaster at Aurora, Kans. Office became presidential October 1, 1924.

LOUISIANA

Rena F. Eckart to be postmaster at Natalbany, La. Office became presidential October 1, 1924.

Cyrus E. Roberts to be postmaster at Merryville, La., in place of C. E. Roberts. Incumbent's commission expired February 24, 1924.

Milton E. Kidd to be postmaster at Choudrant, La., in place of M. E. Kidd. Incumbent's commission expired February 11, 1924.

Emile Aubert to be postmaster at Abita Springs, La., in place of Emile Aubert. Incumbent's commission expired June 4, 1924.

MAINE

Louis S. Isbell to be postmaster at North Anson, Me., in place of I. H. Ellis. Incumbent's commission expired June 5, 1924.

MASSACHUSETTS

Patrick H. McIntyre to be postmaster at Clinton, Mass., in place of J. F. Murrman. Incumbent's commission expired June 4, 1924.

MICHIGAN

Edmund R. Vincent to be postmaster at Corunna, Mich., in place of J. A. Richardson, resigned.

Jesse G. Wilbur to be postmaster at Belding, Mich., in place of E. E. Fales, deceased.

Moses O. Champney to be postmaster at Traverse City, Mich., in place of Emanuel Wilhelm. Incumbent's commission expired June 4, 1924.

Mary M. Smith to be postmaster at Thompsonville, Mich., in place of C. L. Bennett. Incumbent's commission expired June 4, 1924.

Curtis Van Prentice to be postmaster at South Haven, Mich., in place of E. S. Dyckman. Incumbent's commission expired June 4, 1924.

Merrill F. Fitch to be postmaster at Mattawan, Mich., in place of A. H. Campbell. Incumbent's commission expired June 4, 1924.

G. Leslie Runner to be postmaster at Shelby, Mich., in place of H. M. Royal. Incumbent's commission expired June 4, 1924.

Ralph C. Hubbard to be postmaster at Hartford, Mich., in place of W. H. Blashfield. Incumbent's commission expired June 4, 1924.

Beryl Mitchell to be postmaster at Edmore, Mich., in place of A. F. Skarritt. Incumbent's commission expired June 4, 1924.

Jacob M. Paul to be postmaster at Eau Claire, Mich., in place of W. L. Ferry. Incumbent's commission expired June 4, 1924.

Charles Plowman to be postmaster at Copemish, Mich., in place of T. T. Fralick. Incumbent's commission expired June 4, 1924.

Gordon E. Stowell to be postmaster at Byron, Mich., in place of M. B. Gallagher. Incumbent's commission expired June 4, 1924.

Thomas Watson to be postmaster at Birch Run, Mich., in place of M. J. Hadsall. Incumbent's commission expired June 4, 1924.

Leon D. Corwin to be postmaster at Ashley, Mich., in place of E. S. Reist. Incumbent's commission expired June 4, 1924.

MINNESOTA

A. Wilbert Anderson to be postmaster at Proctor, Minn., in place of Patrick McCabe. Incumbent's commission expired July 28, 1923.

Arthur M. Enger to be postmaster at Lanesboro, Minn., in place of James Lynch. Incumbent's commission expired June 5, 1924.

John V. Barstow to be postmaster at Brownsdale, Minn., in place of L. M. Clark, appointee declined.

Anna Slindee to be postmaster at Adams, Minn., in place of E. L. Slindee, deceased.

John L. Christianson to be postmaster at Harmony, Minn., in place of F. A. Achatz. Incumbent's commission expired June 5, 1924.

MISSOURI

Kenneth C. Dixon to be postmaster at Creighton, Mo. Office became presidential October 1, 1924.

Joseph A. Davis to be postmaster at Waynesville, Mo., in place of A. L. Wilson. Incumbent's commission expired June 4, 1924.

George R. Hendricks to be postmaster at Rutledge, Mo., in place of D. J. Buford. Incumbent's commission expired June 5, 1924.

Charles E. Traylor to be postmaster at Richmond, Mo., in place of J. K. Joiner. Incumbent's commission expired June 5, 1924.

Luther C. Brower to be postmaster at Queen City, Mo., in place of A. C. Jones. Incumbent's commission expired June 4, 1924.

Clyde S. Jones to be postmaster at Polo, Mo., in place of W. M. Brown. Incumbent's commission expired June 5, 1924.

J. Frank Wilson to be postmaster at Palmyra, Mo., in place of C. J. Johnson. Incumbent's commission expired June 5, 1924.

Amos E. Jennings to be postmaster at Miami, Mo., in place of Z. T. Casebolt. Incumbent's commission expired June 5, 1924.

Stephen C. Accola to be postmaster at La Grange, Mo., in place of T. E. Heatherly. Incumbent's commission expired June 5, 1924.

Mattie A. Campbell to be postmaster at King City, Mo., in place of Essie Ward. Incumbent's commission expired June 4, 1924.

John A. Mills to be postmaster at Jonesburg, Mo., in place of Fleety Palmer. Incumbent's commission expired June 5, 1924.

Delphia Johnson to be postmaster at Jerico Springs, Mo., in place of V. V. Sitton. Incumbent's commission expired June 5, 1924.

Irene Shibley to be postmaster at Gorin, Mo., in place of A. C. Walters. Incumbent's commission expired January 23, 1924.

Delph C. Simons to be postmaster at Grant City, Mo., in place of W. P. Spillman. Incumbent's commission expired June 5, 1924.

Bertha D. Marling to be postmaster at Elsberry, Mo., in place of W. B. Ellis. Incumbent's commission expired June 5, 1924.

Hobart Lewis to be postmaster at Downing, Mo., in place of C. E. McCandless. Incumbent's commission expired June 5, 1924.

Ira E. Knight to be postmaster at Conway, Mo., in place of J. E. Harris. Incumbent's commission expired June 5, 1924.

Ida A. Sack to be postmaster at Bosworth, Mo., in place of S. T. Breckenridge. Incumbent's commission expired August 12, 1923.

Thomas M. Fowler to be postmaster at Nelson, Mo., in place of Joe Ritchey, removed.

MONTANA

Joseph C. Faller to be postmaster at Dillon, Mont., in place of W. V. Grimes. Incumbent's commission expired February 20, 1924.

Nora M. Henley to be postmaster at Geyser, Mont., in place of F. D. Worcester, resigned.

NEVADA

Julia G. Pangburn to be postmaster at Jarbridge, Nev. Office became presidential October 1, 1924.

NEW HAMPSHIRE

Silas C. Newell to be postmaster at Newport, N. H., in place of E. J. Maley. Incumbent's commission expired February 20, 1924.

Lillian B. Sargent to be postmaster at Canaan, N. H., in place of E. M. Allen, deceased.

NEW JERSEY

Berta Brown to be postmaster at Leonardo, N. J. Office became presidential October 1, 1924.

Harry W. Mutchler to be postmaster at Rockaway, N. J., in place of William Gerard. Incumbent's commission expired June 5, 1924.

Le Roy Duckworth to be postmaster at Clinton, N. J., in place of J. Y. Bellis. Incumbent's commission expired June 5, 1924.

Louis Meretta to be postmaster at Zarephath, N. J., in place of F. W. Borough, resigned.

Edwin Condit to be postmaster at Essex Fells, N. J., in place of D. H. Miller, resigned.

David Tumen to be postmaster at Atlantic Highlands, N. J., in place of C. R. Grover, resigned.

NEW YORK

George C. Myer to be postmaster at Highland Falls, N. Y., in place of J. L. Hicks. Incumbent's commission expired November 21, 1922.

Leslie E. Daniels to be postmaster at Chaumont, N. Y., in place of George Diefendorf. Incumbent's commission expired May 6, 1924.

Harmon A. Ranous to be postmaster at Minetto, N. Y., in place of A. G. Tucker, resigned.

Edward J. Murphy to be postmaster at Forestport, N. Y., in place of A. M. Tracy, resigned.

NORTH CAROLINA

Alfred A. McDonald to be postmaster at Parkton, N. C. Office became presidential October 1, 1924.

Joseph K. Taylor to be postmaster at Morven, N. C. Office became presidential April 1, 1920.

NORTH DAKOTA

John E. Nelson to be postmaster at Litchville, N. Dak., in place of J. E. Nelson. Incumbent's commission expired April 23, 1924.

OHIO

Clarence S. Frazer to be postmaster at Xenia, Ohio, in place of H. E. Rice. Incumbent's commission expired June 4, 1924.

Frances Dunham to be postmaster at Fayetteville, Ohio, in place of F. F. Dunham, deceased.

OKLAHOMA

John R. O'Connell to be postmaster at Willow, Okla. Office became presidential October 1, 1924.

Helen Whitlock to be postmaster at Maramec, Okla. Office became presidential October 1, 1924.

OREGON

William R. Anderson to be postmaster at Milton, Oreg., in place of Elmer Hopkins, resigned.

PENNSYLVANIA

H. Oscar Young to be postmaster at Plymouth Meeting, Pa. Office became presidential October 1, 1924.

Charles M. Wilkins to be postmaster at Wayne, Pa., in place of M. J. Porter. Incumbent's commission expired August 5, 1923.

Samuel S. Ulerich to be postmaster at New Florence, Pa., in place of H. F. Bush. Incumbent's commission expired September 25, 1923.

Grace S. Albright to be postmaster at Hyndman, Pa., in place of J. C. Luman. Incumbent's commission expired June 5, 1924.

Edwin H. Cliff to be postmaster at Glen Olden, Pa., in place of C. E. W. Curry. Incumbent's commission expired June 5, 1924.

Albert R. Morgan to be postmaster at Nemacolin, Pa., in place of H. O. Marquis, resigned.

Laura E. Rich to be postmaster at Enola, Pa., in place of R. M. Rahn, removed.

SOUTH CAROLINA

Gilbert G. Hiers to be postmaster at Ehrhardt, S. C., in place of E. D. Grant, resigned.

SOUTH DAKOTA

Bernard P. Corrigan to be postmaster at Cavour, S. Dak. Office became presidential October 1, 1924.

Raymond B. Breed to be postmaster at Brookings, S. Dak., in place of R. B. Breed. Incumbent's commission expired June 4, 1924.

TEXAS

Elizabeth Ingenhuett to be postmaster at Comfort, Tex., in place of Rudolph Flach, jr. Incumbent's commission expired June 4, 1924.

Alvin O. Fricke to be postmaster at Kingsbury, Tex., in place of Nora Wagner, deceased.

UTAH

David T. Lewis to be postmaster at Spanish Fork, Utah, in place of W. A. Jones. Incumbent's commission expired June 4, 1924.

Paul G. Johnson to be postmaster at Grantsville, Utah, in place of Robert D. Halladay. Incumbent's commission expired June 4, 1924.

WASHINGTON

Albert Maurer to be postmaster at Kelso, Wash., in place of J. L. Harris, resigned.

WEST VIRGINIA

Roy C. Glick to be postmaster at Pemberton, W. Va. Office became presidential October 1, 1924.

John B. Taft to be postmaster at Nutter Fort, W. Va. Office became presidential April 1, 1924.

Earle Reger to be postmaster at Weston, W. Va., in place of Earle Reger. Incumbent's commission expired June 5, 1924.

Benjamin F. McGinnis to be postmaster at Pennsboro, W. Va., in place of J. A. Wooddell. Incumbent's commission expired June 5, 1924.

Mary B. Carman to be postmaster at Bethany, W. Va., in place of S. I. Wells. Incumbent's commission expired March 23, 1924.

WYOMING

Louis E. Eaton to be postmaster at Torrington, Wyo., in place of J. L. Masters. Incumbent's commission expired June 5, 1924.

John H. Mantle to be postmaster at Kemmerer, Wyo., in place of J. T. Platt, resigned.

Frank A. Beard to be postmaster at Chugwater, Wyo., in place of Florence Hullett, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 10, 1924

MEMBERS OF INTERSTATE COMMERCE COMMISSION

Balthasar H. Meyer to be member of the Interstate Commerce Commission for term of seven years from January 1, 1925. (Reappointment.)

J. B. Campbell to be member of the Interstate Commerce Commission for term of seven years from January 1, 1925. (Reappointment.)

PROMOTIONS IN THE ARMY

Malin Craig to be Chief of Cavalry, with the rank of major general.

Joseph Kepner Partello to be colonel, Infantry.

George Percy Hawes, jr., to be lieutenant colonel, Quartermaster Corps.

Stafford LeRoy Irwin to be major, Field Artillery.

Reynold Ferdinand Melin to be captain, Ordnance Department.

Robert Grier St. James to be captain, Infantry.

Francis Irwin Maslin to be captain, Quartermaster Corps.

Horace Speed, jr., to be first lieutenant, Coast Artillery Corps.

Fred William Makinney, jr., to be first lieutenant, Cavalry.

William Benjamin Kean, jr., to be first lieutenant, Infantry.

Franklin Langley Whitley to be major, Adjutant General's Department.

Kenneth Seymour Stice to be first lieutenant, Signal Corps.

Orva Earl Beezley to be captain, Field Artillery.

Charles Joseph Barrett, jr., to be second lieutenant, Field Artillery.

Ivan Benson Snell to be captain, Air Service.

Leon LaGrange Roach to be colonel, Infantry.

Horace Potts Hobbs to be colonel, Infantry.

Louis Joseph Van Schaick to be colonel, Infantry.

Edgar Albert Myer to be colonel, Infantry.

Arthur Morson Shipp to be colonel, Infantry.

Joseph William Beacham, jr., to be colonel, Infantry.

Guy Stevens Norvell to be colonel, Cavalry.

Robert Hayes Wescott to be colonel, Infantry.

Allen Parker to be colonel, Infantry.

Allen Smith, jr., to be colonel, Infantry.

Frank Burson Hawkins to be colonel, Infantry.

Paul Trapier Hayne to be colonel, Adjutant General's Department.

Fred Erskine Buchan to be colonel, Cavalry.

Edward Albert Sturges to be colonel, Finance Department.

William Luke Luhn to be colonel, Cavalry.

Hu Blakemore Myers to be colonel, Cavalry.

Henry Russell Richmond to be colonel, Cavalry.

Charles Evans Kilbourne to be colonel, Coast Artillery Corps.

Osmun Latrobe to be colonel, Cavalry.

Orval Pool Townshend to be colonel, Infantry.

Richard Irving McKenney to be lieutenant colonel, Coast Artillery Corps.

Charles Albert Clark to be lieutenant colonel, Quartermaster Corps.

Robert Louis Moseley to be lieutenant colonel, Infantry.

Aristides Moreno to be lieutenant colonel, Infantry.

William Lay Patterson to be lieutenant colonel, Infantry.

Charles Edward Wheatley to be lieutenant colonel, Coast Artillery Corps.

Earl Biscoe to be lieutenant colonel, Coast Artillery Corps.

William Scott Wood to be lieutenant colonel, Field Artillery.

James Howard Stansfield to be lieutenant colonel, Judge Advocate General's Department.

Francis Bradford Wheaton to be lieutenant colonel, Quartermaster Corps.

James Merrill Hutchinson to be lieutenant colonel, Quartermaster Corps.

George Morgan Newell to be lieutenant colonel, Finance Department.

Sidney Smith Underwood to be lieutenant colonel, Ordnance Department.

Thomas Egbert Jansen to be lieutenant colonel, Finance Department.

Felix Edward Blackburn to be lieutenant colonel, Judge Advocate General's Department.

Charles Almon Hunt to be lieutenant colonel, Infantry.

Warren Thomas Hannum to be lieutenant colonel, Corps of Engineers.

Robert Ross Ralston to be lieutenant colonel, Corps of Engineers.

Mark Brooke to be lieutenant colonel, Corps of Engineers.

Laurence Verner Frazier to be lieutenant colonel, Corps of Engineers.

James Franklin Bell to be lieutenant colonel, Corps of Engineers.

Gilbert Henry Stewart to be lieutenant colonel, Ordnance Department.

Joseph Taggart McNarney to be major, Air Service.

Pearson Menoher to be major, Cavalry.

Albert Henry Warren to be major, Coast Artillery Corps.

Omar Nelson Bradley to be major, Infantry.

Paul John Mueller to be major, Infantry.

Leland Stanford Hobbs to be major, Infantry.

John Frederick Kahle to be major, Coast Artillery Corps.

Edwin Bowman Lyon to be major, Air Service.

Reinold Melberg to be major, Coast Artillery Corps.

Clarence Brewster Lindner to be major, Coast Artillery Corps.

John Henry Cochran to be major, Coast Artillery Corps.

Carl Conrad Bank to be major, Field Artillery.

Charles Calvert Benedict to be major, Air Service.

Vernon Evans to be major, Infantry.

Roscoe Barnett Woodruff to be major, Infantry.

Joseph Jesse Teter to be major, Coast Artillery Corps.
 Lewis Clarke Davidson to be major, Infantry.
 Dwight David Eisenhower to be major, Infantry.
 Harold William James to be major, Infantry.
 George Hume Peabody to be major, Air Service.
 Martin John O'Brien to be major, Coast Artillery Corps.
 Joseph Cumming Haw to be major, Coast Artillery Corps.
 James Basevi Ord to be major, Infantry.
 Earl Larue Naiden to be major, Air Service.
 Henry McElderry Pendleton to be major, Cavalry.
 Iverson Brooks Summers, jr., to be major, Adjutant General's Department.
 Edmund deTreville Ellis to be major, Quartermaster Corps.
 Robert William Strong to be major, Cavalry.
 Clifford Randall Jones to be major, Coast Artillery Corps.
 John Beugnot Wogan to be major, Field Artillery.
 Clesen Henry Tenney to be major, Coast Artillery Corps.
 Clifford Barrington King to be major, Field Artillery.
 Frank Edwin Emery, jr., to be major, Coast Artillery Corps.
 Edward Caswell Wallington to be major, Chemical Warfare Service.
 Carl Ernest Hocker to be major, Coast Artillery Corps.
 John William Leonard to be major, Infantry.
 Richmond Trumbull Gibson to be major, Coast Artillery Corps.
 Edward Campbell McGuire to be major, Cavalry.
 Wilbur Joseph Fox to be captain, Infantry.
 Frank Eckel Taylor to be captain, Judge Advocate General's Department.
 Charles Palmer Clark to be captain, Air Service.
 William Vincent Witcher, jr., to be captain, Infantry.
 Leo Leftwich Partlow to be captain, Field Artillery.
 Joseph Francis Stiley to be captain, Coast Artillery Corps.
 Edward Henry Dignowity to be captain, Corps of Engineers.
 John William Elkins, jr., to be captain, Infantry.
 Philip Doddridge to be captain, Infantry.
 Chilion Farrar Wheeler to be captain, Air Service.
 Henry Thomas Kent to be captain, Infantry.
 James Arthur Boyers to be captain, Infantry.
 Evan Kirkpatrick Meredith to be captain, Infantry.
 Howard John Liston to be captain, Infantry.
 Charles Marion Thirkeld to be captain, Field Artillery.
 William Robert Carlson to be captain, Coast Artillery Corps.
 Ernest Thomas Jones to be captain, Infantry.
 Harry Wormersley Ostrander to be captain, Coast Artillery Corps.
 Melville Stratton Creusere to be captain, Field Artillery.
 Clarence Flagg Murray to be captain, Field Artillery.
 Perry Cole Ragan to be captain, Infantry.
 James Cave Crockett to be captain, Infantry.
 Philip Dunbar Terry to be captain, Coast Artillery Corps.
 Charles Carroll Knight, jr., to be captain, Field Artillery.
 Joseph Vincent Thebaud to be captain, Infantry.
 George Willis Morris to be captain, Signal Corps.
 Ira Augustus Hunt to be captain, Infantry.
 Paul Parker Logan to be captain, Infantry.
 Jesse James France to be captain, Field Artillery.
 Armand Sherman Miller to be captain, Field Artillery.
 Thomas Henry to be captain, Infantry.
 Earl Hamlin DeFord to be captain, Air Service.
 Peter Powell Rodes to be captain, Field Artillery.
 Frank Martin Smith to be captain, Infantry.
 John Carl Cook to be captain, Field Artillery.
 Herbert William Garrison to be captain, Infantry.
 Burdette Shields Wright to be captain, Air Service.
 Arthur Kay Chambers to be captain, Coast Artillery Corps.
 Paul Thomas Hogge to be captain, Infantry.
 Dale Clarence Hall to be captain, Ordnance Department.
 Charles Summers Miller to be captain, Cavalry.
 Eugene Edwin Hagan to be captain, Quartermaster Corps.
 Joseph Edward Schillo to be captain, Quartermaster Corps.
 John Moody Tuther to be captain, Quartermaster Corps.
 Joseph Henry Burghelm to be captain, Infantry.
 John Palmer Harris to be captain, Ordnance Department.
 Fred Thomson Bass to be captain, Corps of Engineers.
 Andrew Jackson Patterson to be captain, Infantry.
 Rufus Alexander Byers to be captain, Infantry.
 George Edwin Adamson to be captain, Quartermaster Corps.
 Charles A. Morrow to be captain, Quartermaster Corps.
 Edward Oscar Schairer to be captain, Quartermaster Corps.
 Charley Muller to be captain, Infantry.
 Alfred Henry Thiessen to be captain, Signal Corps.
 Claude Evan Gray to be captain, Finance Department.
 Horace Nevil Heisen to be captain, Air Service.
 Aubrey Irl Eagle to be captain, Air Service.

Jacob J. Van Putten, jr., to be captain, Finance Department.
 Harvey Weir Cook to be captain, Air Service.
 Charles Summer Reed to be captain, Ordnance Department.
 Raymond Clair Hildreth to be captain, Signal Corps.
 David Emery Washburn to be captain, Signal Corps.
 Bernard Edward McKeever to be captain, Quartermaster Corps.
 Michael James Byrne to be captain, Infantry.
 William George Muller to be captain, Infantry.
 Harold Robert Emery to be first lieutenant, Infantry.
 David Sanderson McLean to be first lieutenant, Infantry.
 William Joseph Moroney to be first lieutenant, Infantry.
 Russell Lowell Williamson to be first lieutenant, Air Service.
 Howard Dohla Johnston to be first lieutenant, Infantry.
 Franklin Leroy Rash to be first lieutenant, Infantry.
 Edgar Harvey Snodgrass to be first lieutenant, Infantry.
 Claude Birkett Ferenbaugh, to be first lieutenant, Infantry.
 Adna Chaffee Hamilton to be first lieutenant, Infantry.
 Harold Stuart Ruth to be first lieutenant, Infantry.
 Sterling Eugene Whitesides to be first lieutenant, Infantry.
 Lewis Stone Sorley, jr., to be first lieutenant, Infantry.
 Albert Coady Wedemeyer to be first lieutenant, Infantry.
 David Best Latimer to be first lieutenant, Coast Artillery Corps.
 Roswell Boyle Hart to be first lieutenant, Infantry.
 Halvor Hegland Myrah to be first lieutenant, Coast Artillery Corps.
 Herbert Joseph Riess to be first lieutenant, Infantry.
 Henry Ignatius Szymanski to be first lieutenant, Infantry.
 Frederick Brenton Porter to be first lieutenant, Field Artillery.
 Bryan Sewall Halter to be first lieutenant, Infantry.
 Charles Raymond Gross to be first lieutenant, Infantry.
 Charles Hardy Hart, jr., to be first lieutenant, Infantry.
 Adolphus Rankin McConnell to be first lieutenant, Air Service.
 George De Vere Barnes to be first lieutenant, Quartermaster Corps.
 Paul Robert Menzies Miller to be first lieutenant, Field Artillery.
 Albert Smith Rice to be first lieutenant, Infantry.
 Charles Linton Williams to be first lieutenant, Air Service.
 Charles Ream Jackson to be first lieutenant, Coast Artillery Corps.
 Charles Leslie Keerans, jr., to be first lieutenant, Infantry.
 Fred Cleveland Fishback to be first lieutenant, Air Service.
 George Oliver Roberson to be first lieutenant, Air Service.
 Kenneth Newton Walker to be first lieutenant, Air Service.
 John Lawrence Hanley to be first lieutenant, Coast Artillery Corps.
 Stanley Hunsicker Hunsicker to be first lieutenant, Quartermaster Corps.
 Neal Henry McKay to be first lieutenant, Quartermaster Corps.
 Stanleigh Megargee to be first lieutenant, Quartermaster Corps.
 Oscar Leslie Rogers to be first lieutenant, Air Service.
 Roger Frederic O'Leary to be first lieutenant, Quartermaster Corps.
 Samuel Perham Mills to be first lieutenant, Air Service.
 Edgar Theodore Selzer to be first lieutenant, Air Service.
 Albert Joseph Lubbe to be first lieutenant, Signal Corps.
 George Raymond Ensminger to be first lieutenant, Ordnance Department.
 John Bicknell Luscombe to be first lieutenant, Quartermaster Corps.
 Charles Harold Howard to be first lieutenant, Air Service.
 Edward Alton Hillery to be first lieutenant, Air Service.
 Hugh Sydney Harpole to be first lieutenant, Quartermaster Corps.
 Homer William Jones to be first lieutenant, Quartermaster Corps.
 Everett Sanford Davis to be first lieutenant, Air Service.
 Frank Egerton Powell to be first lieutenant, Quartermaster Corps.
 Bradford Nelson Headley to be first lieutenant, Quartermaster Corps.
 Frederick Irving Patrick to be first lieutenant, Air Service.
 Donald Reuben Goodrich to be first lieutenant, Air Service.
 Carl Henry Barrett to be first lieutenant, Air Service.
 Francis Hill Kuhn to be first lieutenant, Quartermaster Corps.
 John Daniel O'Connell to be first lieutenant, Quartermaster Corps.
 Harold Brand to be first lieutenant, Air Service.

- Edward Watson Kelley to be first lieutenant, Infantry.
 Claud Thomas Gunn to be first lieutenant, Coast Artillery Corps.
 Herbert Benjamin Wilcox to be first lieutenant, Infantry.
 Robert Milton Eichelsdoerfer to be first lieutenant, Cavalry.
 Otto Max Jank to be first lieutenant, Coast Artillery Corps.
 Paul Evert to be first lieutenant, Air Service.
 Paul Americus Harris to be first lieutenant, Coast Artillery Corps.
 Jefferson Cleveland Campbell to be first lieutenant, Field Artillery.
 Hugh Franklin Conrey to be first lieutenant, Field Artillery.
 Edwin Clark Maling to be first lieutenant, Infantry.
 Richard Head Trippe to be first lieutenant, Infantry.
 O. D. Wells to be first lieutenant, Infantry.
 Frank Celestine Meade to be first lieutenant, Coast Artillery Corps.
 Paul Wallace Cole to be first lieutenant, Coast Artillery Corps.
 Everett Samuel Prouty to be first lieutenant, Infantry.
 Charles Speir Lawrence to be first lieutenant, Infantry.
 John Corwin Shaw to be first lieutenant, Infantry.
 William Cadwalader Price to be first lieutenant, Field Artillery.
 Clarence Matthew Tomlinson to be first lieutenant, Infantry.
 Eugene Reedy Guild to be first lieutenant, Coast Artillery Corps.
 Julian Buckner Haddon to be first lieutenant, Air Service.
 Claude Delorum Collins to be first lieutenant, Infantry.
 William Hugh Burns to be first lieutenant, Coast Artillery Corps.
 William Eldridge Moore to be first lieutenant, Quartermaster Corps.
 Clem Oliver Gunn to be first lieutenant, Coast Artillery Corps.
 Wilber Russell Ellis to be first lieutenant, Coast Artillery Corps.
 Donald Weldon Brann to be first lieutenant, Infantry.
 George Bernhard Anderson to be first lieutenant, Coast Artillery.
 Walter John Wolfe to be first lieutenant, Coast Artillery.
 Roswell Emory Round to be first lieutenant, Infantry.
 Clyde Harrison Lamb to be first lieutenant, Infantry.
 Fred Ross Cowan to be first lieutenant, Quartermaster Corps.
 Lester Frank Watson to be first lieutenant, Quartermaster Corps.
 William Edwin Vecqueray to be first lieutenant, Quartermaster Corps.
 Robert Lawrence Eichelberger to be major, Adjutant General's Department.
 Joseph Nicholas Dalton to be captain, Adjutant General's Department.
 Kenneth Burman Bush to be captain, Adjutant General's Department.
 Adam Richmond to be captain, Judge Advocate General's Department.
 William Jones Kendrick to be lieutenant colonel, Finance Department.
 Cherubusco Newton, jr., to be major, Finance Department.
 Edward Dworak to be major, Finance Department.
 Theodore Morrison Clarence Osborne to be second lieutenant, Corps of Engineers.
 Ralph Arnold Tudor to be second lieutenant, Corps of Engineers.
 Hebert Davidson to be second lieutenant, Corps of Engineers.
 Edward Aloysius Murphy to be captain, Ordnance Department.
 Leo Joseph Dillon to be captain, Ordnance Department.
 Grosvenor Liebenau Wotkins to be first lieutenant, Ordnance Department.
 Galen Magnus Taylor to be first lieutenant, Ordnance Department.
 Myron Leedy to be second lieutenant, Ordnance Department.
 Joseph James Grace to be major, Signal Corps.
 Laurence Watts to be major, Signal Corps.
 Lester Joslyn Harris to be captain, Signal Corps.
 Benjamin Stern to be second lieutenant, Signal Corps.
 Maurice Benjamin Willett to be major, Chemical Warfare Service.
 Maurice Eugene Barker to be captain, Chemical Warfare Service.
 Norman Drysdale Gillet to be first lieutenant, Chemical Warfare Service.
 Joseph Sutherland Herron to be colonel, Field Artillery.
 Arthur Dryhurst Budd to be major, Field Artillery.
- Claude Alfred White to be captain, Field Artillery.
 David Loring, jr., to be captain, Field Artillery.
 Garth Bly Haddock to be captain, Field Artillery.
 Mark Milton Potter to be first lieutenant, Field Artillery.
 Auston Monroe Wilson, jr., to be first lieutenant, Field Artillery.
 Charles Aloysius Hennessey to be second lieutenant, Field Artillery.
 George Phillips Privett to be second lieutenant, Field Artillery.
 Stephen Stanley Koszewski to be second lieutenant, Field Artillery.
 Peter Sather, jr., to be second lieutenant, Field Artillery.
 Frank Faron Carpenter, jr., to be second lieutenant, Field Artillery.
 Adolphe St. Armand Fairbanks to be captain, Coast Artillery Corps.
 John Sanderson to be first lieutenant, Coast Artillery Corps.
 Charles Wesley Gettys to be second lieutenant, Coast Artillery Corps.
 Morris Kelly Voedisch to be second lieutenant, Coast Artillery Corps.
 Guy Haines Stubbs to be second lieutenant, Coast Artillery Corps.
 Ben Early Cordell to be second lieutenant, Coast Artillery Corps.
 Russell Creamer Langdon to be colonel, Infantry.
 Norman Daniel Cota to be captain, Infantry.
 Richard Garner Thomas, jr., to be second lieutenant, Infantry.
 Willis Henry Hale to be captain, Air Service.
 Howard Houghton Baily to be lieutenant colonel, Medical Corps.
 Paul Lamar Freeman to be lieutenant colonel, Medical Corps.
 Kenneth Earl Buffin to be captain, Veterinary Corps.
 Robert Payne McComb to be captain, Veterinary Corps.
 William Roy Wolfe to be captain, Veterinary Corps.
 Chauncey Edmund Cook to be captain, Veterinary Corps.
 Robert Patrick Kunnecke to be captain, Veterinary Corps.
 Clifford Eugene Pickering to be captain, Veterinary Corps.
 Stanley Clifford Smock to be captain, Veterinary Corps.
 Howard Newell Beeman to be captain, Veterinary Corps.
 Howard Mayo Savage to be captain, Veterinary Corps.
 Burlin Chase Bridges to be captain, Veterinary Corps.
 Mott Ramsey to be captain, Veterinary Corps.
 Josiah Wistar Worthington to be captain, Veterinary Corps.
 Fred Chester Waters to be captain, Veterinary Corps.
 Homer Johnson to be captain, Veterinary Corps.
 Joseph Fenton Crosby to be captain, Veterinary Corps.
 Raymond Irvin Lovell to be captain, Veterinary Corps.
 Ralph Brown Stewart to be captain, Veterinary Corps.
 George Jacob Rife to be captain, Veterinary Corps.
 Maximilian Siereveld, jr., to be captain, Veterinary Corps.
 Charles Mansur Cowherd to be captain, Veterinary Corps.
 John Knox McConeghy to be captain, Veterinary Corps.
 Sawyer Adelbert Grover to be captain, Veterinary Corps.
 Charles Sears Williams to be captain, Veterinary Corps.
 Oness Harry Dixon, jr., to be captain, Veterinary Corps.
 John Wesley Miner to be captain, Veterinary Corps.
 Seth C. Dildine to be captain, Veterinary Corps.
 Fred W. Shinn to be captain, Veterinary Corps.
 Philip Henry Riedel to be captain, Veterinary Corps.
 Irby Rheuel Pollard to be captain, Veterinary Corps.
 Frank Benjamin Steinkolk to be captain, Veterinary Corps.
 Francois Hue Kari Reynolds to be captain, Veterinary Corps.
 Raymond Randall to be captain, Veterinary Corps.
 Frank Caldwell Hershberger to be captain, Veterinary Corps.
 Gerald Woodward FitzGerald to be captain, Veterinary Corps.
 Charles Brenton Dunphy to be captain, Veterinary Corps.
 Harry Edward Van Tuyl to be captain, Veterinary Corps.
 Louis Lathrop Shook to be captain, Veterinary Corps.
 Daniel Henry Mallan to be captain, Veterinary Corps.
 Louis Goldman Weisman to be captain, Veterinary Corps.
 Everett Cooper Conant to be captain, Veterinary Corps.
 James Alexander McCallam to be captain, Veterinary Corps.
 Harry John Juzek to be captain, Veterinary Corps.
 William Henry Dean to be captain, Veterinary Corps.
 Solon B. Renshaw to be captain, Veterinary Corps.
 Frank H. Woodruff to be captain, Veterinary Corps.
 Will Charles Griffin to be captain, Veterinary Corps.
 Lloyd Clifford Ewen to be captain, Veterinary Corps.
 Charles Oliver Grace to be captain, Veterinary Corps.
 Edward Michael Curley to be captain, Veterinary Corps.
 James Russell Sperry to be captain, Veterinary Corps.
 Floyd Chauncey Sager to be captain, Veterinary Corps.

Henry Emil Hess to be captain, Veterinary Corps.
 Vincent Brown Wright to be captain, Veterinary Corps.
 Paul Roberts King to be captain, Veterinary Corps.
 Forest Lee Holycross to be captain, Veterinary Corps.
 Daniel Sommer Robertson to be captain, Veterinary Corps.
 Earl Floyd Long to be captain, Veterinary Corps.
 Joseph Hiram Dornblaser to be captain, Veterinary Corps.
 George Leslie Caldwell to be captain, Veterinary Corps.
 Jacob Landes Hartman to be captain, Veterinary Corps.
 John Harold Kintner to be captain, Veterinary Corps.
 Arthur Dunlap Martin to be captain, Veterinary Corps.
 Samuel George Kielsmeier to be captain, Veterinary Corps.
 Peter Thomas Carpenter to be captain, Veterinary Corps.
 Stanley Alling Clark to be first lieutenant, Medical Administrative Corps.
 Francis Moore to be first lieutenant, Medical Administrative Corps.
 Max Verne Talbot to be first lieutenant, Medical Administrative Corps.
 Alexander Joseph Doray to be first lieutenant, Medical Administrative Corps.
 Harvey Israel Rice to be first lieutenant, Medical Administrative Corps.
 Joseph Gail Garrison to be chaplain with the rank of captain.
 Faye Arnold Moon to be chaplain with the rank of captain.
 Ivan Loveridge Bennett to be chaplain with the rank of captain.
 Monroe Starkey Caver to be chaplain with the rank of captain.
 John Knox Bodel to be chaplain with the rank of captain.
 William Roy Bradley to be chaplain with the rank of captain.
 James Lloyd McBride to be chaplain with the rank of captain.
 Thomas Lawrence McKenna to be chaplain with the rank of captain.
 Mylon Dickinson Merchant to be chaplain with the rank of captain.
 Maurice William Reynolds to be chaplain with the rank of captain.
 Henry Russell Westcott, jr., to be chaplain with the rank of captain.
 Albert Floyd Vaughan to be chaplain with the rank of captain.
 Edgar Nathaniel Thorn to be chaplain with the rank of captain.
 Jodie Gibson Stewart to be chaplain with the rank of captain.
 Gynther Storaasli to be chaplain with the rank of captain.
 Commodore Robert Watkins to be chaplain with the rank of captain.
 Ivan Gochnauer Martin to be chaplain with the rank of captain.
 Leon Lloyd Gardner to be first lieutenant, Medical Officers' Reserve Corps.
 Henry Fremont Lueking to be first lieutenant, Medical Officers' Reserve Corps.
 Prentice Lauri Moore to be first lieutenant, Medical Officers' Reserve Corps.
 John Marshall Gaines to be first lieutenant, Medical Officers' Reserve Corps.
 William Charles Furr to be first lieutenant, Medical Officers' Reserve Corps.
 Ray Hamilton Skaggs to be first lieutenant, Medical Officers' Reserve Corps.
 Herbert Morris Cox to be second lieutenant, Veterinary Officers' Reserve Corps.
 Laurence Robert Bower to be second lieutenant, Veterinary Officers' Reserve Corps.
 John Harold McCann to be chaplain with the rank of first lieutenant.
 Edward Freeman to be first lieutenant, Philippine Scouts.
 James William Smith to be first lieutenant, Philippine Scouts.
 Charles White Berry to be major general, Officers' Reserve Corps.
 Milton Joseph Foreman to be major general, Officers' Reserve Corps.
 Quincy Adams Gillmore to be major general, Officers' Reserve Corps.
 Benson Walker Hough to be major general, Officers' Reserve Corps.

John Augustus Hulen to be major general, Officers' Reserve Corps.
 Baird Hockett Markham to be major general, Officers' Reserve Corps.
 Mathew Adrian Tinley to be major general, Officers' Reserve Corps.
 Robert Henry Tyndall to be major general, Officers' Reserve Corps.
 Clarence Brettun Blethen to be brigadier general, Officers' Reserve Corps.
 Ellerbe Winn Carter to be brigadier general, Officers' Reserve Corps.
 Abel Davis to be brigadier general, Officers' Reserve Corps.
 William Graham Everson to be brigadier general, Officers' Reserve Corps.
 Alfred Franklin Foote to be brigadier general, Officers' Reserve Corps.
 Frank David Henderson to be brigadier general, Officers' Reserve Corps.
 Henry Hutchings to be brigadier general, Officers' Reserve Corps.
 Robert Bruce McCoy to be brigadier general, Officers' Reserve Corps.
 Charles E. McPherron to be brigadier general, Officers' Reserve Corps.
 John Rea McQuigg to be brigadier general, Officers' Reserve Corps.
 Edward Martin to be brigadier general, Officers' Reserve Corps.
 Churchill Brown Mehard to be brigadier general, Officers' Reserve Corps.
 Paul Lincoln Mitchell to be brigadier general, Officers' Reserve Corps.
 Alva Joseph Niles to be brigadier general, Officers' Reserve Corps.
 Morris Benham Payne to be brigadier general, Officers' Reserve Corps.
 Winfield Scott Price to be brigadier general, Officers' Reserve Corps.
 George Perry Rains to be brigadier general, Officers' Reserve Corps.
 William August Raupp to be brigadier general, Officers' Reserve Corps.
 Willie McDaniel Rowan to be brigadier general, Officers' Reserve Corps.
 Louis Arthur Toombs to be brigadier general, Officers' Reserve Corps.
 Robert Jesse Travis to be brigadier general, Officers' Reserve Corps.
 John Penman Wood to be brigadier general, Officers' Reserve Corps.
 George Herbert Harries to be major general, Auxiliary Section.
 John Miller Turpin Finney to be brigadier general, Medical Section.
 John Taliaferro Thompson to be brigadier general, Ordnance Section.

POSTMASTERS

CONNECTICUT

George W. Fairgrieve, Bantam.
 Frank S. Merrill, Bristol.
 William J. Beehler, Brookfield.
 Robert DeF. Bristol, Gullford.
 George L. Rockwell, Ridgefield.

DELAWARE

Victor E. Simpler, Selbyville.

GEORGIA

George E. Youmans, Adrian.
 Mazie Brett, Alamo.
 John B. Crawford, Cairo.
 Henry M. Miller, Colquitt.
 John H. Boone, Hazelhurst.
 Anna C. Williams, Lumpkin.
 Ben H. McLarty, Soperton.
 Earnest E. Slack, Tifton.
 Maude D. Thompson, Ty Ty.

IDAHO

William R. Ogle, Glens Ferry.
 Flossie G. Hill, Gooding.
 Leonard B. Wehr, Star.

Albert T. Moulton, Victor.
Marie E. Roos, Weippe.
Arthur N. MacQuivey, Wendell.

ILLINOIS

Herman H. Schultz, Bartlett.
Rufus D. Benton, Carthage.
Mary H. Hrdlicka, Cary Station.
Charles D. Ragsdale, De Soto.
Laurence E. Brookfelt, Dolton.
Frederick Rugen, Glenview.
John S. Redshaw, Granville.
Ida I. Shrader, Humboldt.
Charles Jackson, Joy.
John Gukeisen, Kenilworth.
Homer W. Witter, Kingston.
Rex C. Bliss, La Fayette.
Eugenie Culley, McClure.
William H. Weathers, Magnolia.
Harry R. Smith, Manlius.
Harry C. Smith, New Windsor.
William E. Kitch, Niantic.
William McKinley, Ogden.
Alice Murray, Onelda.
Oscar B. Harrauff, Princeton.
John C. Harned, Secor.
Chester O. Burgess, Sigel.
Oral Beck, Stewardson.
Fred Frazier, Viola.
Vera M. Carlson, Woodhull.

IOWA

Esther Y. Walster, Marble Rock.

MAINE

Charles W. Abbott, Albion.
George H. Williams, Alfred.

MASSACHUSETTS

Edmund Daly, Hingham.
Ella M. Harrington, Jefferson.
William J. O'Brien, Kingston.

MISSOURI

Henry L. Windler, Barnett.
Ada C. Luna, Gainesville.
James R. Murray, Harviell.
Joseph Snider, Ludlow.
Elizabeth E. Letton, Mindenmines.
William H. Reynolds, Smithton.
Dana Gerster, Stella.
Charles C. Stobaugh, Triplett.
Horace L. Johnson, Winston.

NEW HAMPSHIRE

Josiah K. Rand, Fitzwilliam.
John E. Horne, Milton Mills.
Ralph E. Berry, Rye Beach.
Hugh C. Young, Sunapee.
Fay H. Elliott, West Stewartstown.

OHIO

Maurice M. Murray, Bluffton.
John W. Keel, Bolivar.
William H. Fellmeth, Canal Fulton.
Millard F. Cunard, Edison.
Jennie Fickes, Empire.
Frank J. Patterson, Glencoe.
Blanche M. Lauer, Lower Salem.
Ethel Shoemaker, Mount Blanchard.
Albert A. Sticksel, Newtown.
Glenn B. Rodgers, Washington Court House.

OKLAHOMA

Henry A. Ravia, Bessie.
Earl Leeper, Denoya.
Madge Morris, Lyman.
Charles F. Ritcheson, Maysville.
Katherine Anderson, Ninnekah.

PENNSYLVANIA

Sarah A. Conrath, Dixonville.

PORTO RICO

Leonor G. Lucca, Guayanilla.
Arturo G. Molina, Juncos.
Teodoro M. Lopez, Vega Baja.

SOUTH CAROLINA

Melvin L. Sipe, Fountain Inn.
Mark D. Batchelder, Frogmore.
Emory L. Spears, Lamar.
Annie H. Goblet, Mount Pleasant.
Jasper E. Watson, Travellers Rest.
James J. Vernon, jr., Wellford.

TEXAS

Fay Richardson, Asherton.
Thomas H. Castleton, Bay City.
Edward P. Johnson, Bertram.
James M. Stratton, Blum.
Jefferson F. House, Bridgeport.
Nora Platt, Brownfel.
Jessie C. Bohannon, Brownfield.
Ira J. Gumm, Caddo.
Ralph B. Martin, Camden.
Dewitt T. Cook, Centerville.
Samuel J. Hott, Channing.
John J. Crockett, Chapel Hill.
John W. Claiborne, Charlotte.
Lillian B. Washburn, Clint.
Josephine W. Earnest, Cotulla.
Phillip L. Swatzell, DeKalb.
Alphonse Boog, D'Hanis.
Stanley F. N. Dolch, Eagle Pass.
William G. Shelton, East Bernard.
William R. Dickens, Eden.
Walter N. Ramsay, Eldorado.
Harvey W. Bridges, Enloe.
Emma Woody, Girard.
Robert N. Porter, Gregory.
France H. Baker, Hamilton.
John T. Wilson, Haskell.
John C. Ray, Hutto.
William E. Barron, Iola.
Sylvan S. McCrary, Joaquin.
John F. Range, Justin.
Alex E. Jungmann, Lacoste.
Edmund A. Giese, Lagrange.
Sislie Curtis, Larue.
Robert M. Hazlewood, Leander.
Jim H. McFarlin, Liberty Hill.
John L. Vaughan, Lubbock.
William I. Witherspoon, McAllen.
Henry O. Wilson, Marshall.
Emma Thompson, May.
Mayme O. Able, Melvin.
Charles K. Langford, Mertens.
Marion Zercher, Mount Vernon.
Charles A. Reiter, Muenster.
Minnie Kenney, Nash.
John R. Ware, Nederland.
Charles I. Snedecor, Needville.
Edmund A. Schulze, New Ulm.
Millard H. Edwards, Nixon.
Lydia Teller, Orange Grove.
August E. Dumont, Paducah.
Edward H. Reinhard, Poth.
Elena L. King, Presidio.
Cletus Dunham, Quitaque.
Casimiro P. Alvarez, Riogrande.
Mary M. Ferrel, Roby.
Sallie J. Mock, Roganville.
Robert G. Mobley, Santa Anna.
A. Delta Sanders, Scurry.
Robert A. Foster, Sipe Springs.
Minnie L. E. Walton, Swenson.
Lewis Kiser, Sylvester.
George M. Sewell, Talpa.
Delmer B. Stone, Telephone.
William R. Holton, Thornton.
Belle H. Stewart, Valentine.
Mary Erwin, Velasco.
Charles F. Boettcher, Weimar.
Pearl B. Monke, Weinert.
Aaron H. Russell, Willis.
Paul A. Taylor, Winfield.
Hugh F. Skelton, Wylie.